

# INOX WIND INFRASTRUCTURE SERVICES LIMITED

(CIN: U45207GJ2012PLCo70279)

**Registered Office:** Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat 390007

**Telephone:** 0265 6198111/2330057, **Fax:** 0265 2310312

**Email id:** [investors.iwl@inoxwind.com](mailto:investors.iwl@inoxwind.com)

**Website:** [www.iwisl.com](http://www.iwisl.com)

## NOTICE

NOTICE is hereby given to the Members of **Inox Wind Infrastructure Services Limited** that the **Seventh Annual General Meeting** of the Company will be held at the Registered Office of the Company at Survey No. 1837 & 1834 at Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat 390007, on Monday, the 16<sup>th</sup> September, 2019, at 11:00 A.M., to transact the following business:

### ORDINARY BUSINESS

#### 1. Adoption of Financial Statements

To consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019, the reports of the Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019 and the report of the Auditors thereon

#### 2. Re-appointment of Shri Mukesh Manglik as Director of the Company

To appoint a Director in place of Shri Mukesh Manglik (DIN: 07001509) who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

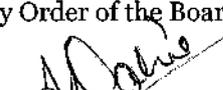
#### 3. Approval of remuneration of M/s Jain Sharma and Associates (Firm Registration no. 000270) for Cost Audit of the Company for Financial Year 2019-20

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

**"RESOLVED THAT** pursuant to the provisions of Sections 141, 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 99,000 (Rupees Ninety Nine Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, at actual, as approved by Board of Directors of the Company, to be paid to M/s Jain Sharma and Associates, Cost Auditors (Firm Registration no. 000270) of the Company for conducting the audit of the cost records of the Company for the Financial Year ending on 31<sup>st</sup> March, 2020, be and is hereby ratified and confirmed."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as they may deem necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

  
Abhishek Dahia  
Company Secretary

Place: Noida  
Date: 9<sup>th</sup> August, 2019

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%), OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business in respect of Item No 3 hereinabove is annexed hereto.
4. Appointment / Re-appointment of Directors:

The information required to be provided as per the Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India in respect of Director/s being appointed / re-appointed is given herein below:

<b>Name of Director</b>	<b>Shri Mukesh Manglik</b>
Age and Date of Birth	16 <sup>th</sup> September, 1951, 68 Years
Date of first appointment on the Board	21 <sup>st</sup> October, 2014
Directors Identification Number	07001509
Qualification	BE (Electrical), VJTI, Mumbai University
Experience/ Expertise in Specific Functional Area	More than 43 years of experience in the area of design and development of power electronics and process controls. Has over 12 years of experience in the Wind Industry with expertise in engineering, operations and maintenance of Wind Turbine Generators including commissioning. He was involved in designing parts and saving costs related to the turbine in his present and previous assignments.
Directorship held in other Companies	1. Wind One Renergy Private Limited 2. Wind Three Renergy Private Limited 3. Suswind Power Private Limited 4. Vasuprada Renewables Private Limited 5. Ripudaman Urja Private Limited 6. Vibhav Energy Private Limited 7. Tempest Wind Energy Private Limited 8. Flurry Wind Energy Private Limited 9. Aliento Wind Energy Private Limited
Membership / Chairmanship of other Companies	None
The Number of Meeting of the Board Attended during the year	6
Remuneration last drawn	Rs. 2.20 Lakh (Sitting Fee)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any directors/KMP
Shareholding in the Company	Nil

5. Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company Secretary at least seven days in advance at its Corporate Office so as to enable the Company to keep the information ready.

6. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.
7. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
8. The relevant documents referred to in the accompanying Notice of Meeting and in the Explanatory Statement are open for inspection by the Members of the Company at the Registered Office's on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 01.00 P.M. upto the date of this Meeting.

THE STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

**Item No 3**

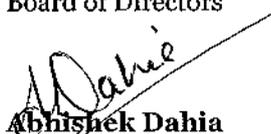
In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No.3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2020.

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

The Directors recommend the Resolution as stated at Item No.3 of the Notice for approval of the Members by way of an Ordinary Resolution.

By Order of the Board of Directors

  
**Abhishek Dahia**  
Company Secretary

Place: Noida  
Date: 9<sup>th</sup> August, 2019



Resolution Number	Resolution	Vote (Optional see Note 2)(Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1.	To consider and adopt: a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 <sup>st</sup> March, 2019, the reports of the Board of Directors and Auditors thereon; and b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 <sup>st</sup> March, 2019 and the report of the Auditors thereon			
2.	Re-appointment of Shri Mukesh Manglik as Director of the Company			
<b>Special Business</b>				
3.	Approval of remuneration of M/s Jain Sharma and Associates (Firm Registration no. 000270) for Cost Audit of the Company for Financial Year 2019-20 (OR)			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy Holder(s)

Affix a  
Revenue  
Stamp  
not less  
than Re. 1

**Notes:**

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**ATTENDANCE SLIP**

**[To be handed over at the entrance of Meeting Hall]**

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
(CIN: U45207GJ2012PLC070279)

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Old Padra Road, Vadodara Gujarat 390007  
**Telephone:** 0265 6198111/2330057, **Fax:** 0265 2310312  
**Email id:** [investors.iwl@inoxwind.com](mailto:investors.iwl@inoxwind.com)  
**Website:** [www.iwisl.com](http://www.iwisl.com)

**ATTENDANCE SLIP**

**7<sup>th</sup> Annual General Meeting, Monday, 16<sup>th</sup> September, 2019 at 11:00 A.M.**

Regd. Folio No. \_\_\_\_\_/DP ID \_\_\_\_\_ Client ID/Ben. A/C \_\_\_\_\_ No.of shares held \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company.

I hereby record my presence at the 07<sup>th</sup> Annual General Meeting of the Company on Monday, 16<sup>th</sup> September, 2019 at 11:00 A.M at Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat- 390007

\_\_\_\_\_  
Member's/Proxy's name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

# Route map



Survey No. 1837 & 1834 At Moje Jetalpur, ABS Towers, Second Floor,  
Old Padra Road, Vadodara- 390007, Gujarat

**BOARD'S REPORT**

To the Members of

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

 Your Directors take pleasure in presenting to you their Seventh Annual Report together with the Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2019.

**1. FINANCIAL RESULTS**

Following are the working results for the Financial Year 2018-19:

Sr. N.	Particulars	Standalone		Consolidated	
		Rs. in Lakhs		Rs. in Lakhs	
		2018-19	2017-18	2018-19	2017-18
I	Revenue from Operations	21,520.75	36,672.38	20,818.32	36,781.25
II	Other income	906.71	743.26	244.82	191.73
III	Total Revenue Income (I+II)	22,427.46	37,415.64	21,063.14	36,972.98
IV	Total Expenses	29,577.84	44,484.02	29,515.19	44,998.38
V	Share of profit/(loss) of associates	-	-	(23.88)	(1.56)
VI	Profit/(Loss) before exceptional item and tax (III - IV+V)	(7,150.38)	(7,068.38)	(8,475.93)	(8,026.96)
VII	Exceptional items	(1,747.68)	(1,097.32)	-	-
VIII	Profit/(Loss) before tax (VI + VII)	(8,898.06)	(8,165.70)	(8,475.93)	(8,026.96)
IX	Total Tax expense	(3,179.13)	(2,375.77)	(3,179.13)	(2,362.64)
X	<b>Profit/(Loss) for the year (VIII - IX)</b>	(5,718.93)	(5,789.93)	(5,296.80)	(5,664.32)
XI	Other comprehensive income	57.71	53.70	57.71	53.70
XII	<b>Total comprehensive income (X+XI)</b>	(5,661.22)	(5,736.23)	(5,239.09)	(5,610.62)

**2. CONSOLIDATED FINANCIAL STATEMENTS**

As per applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2018-19 have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable and on the basis of audited financial statements of the Company, its subsidiary companies, as approved by the respective Board of Directors.

The Audited Standalone and Consolidated Financial Statements for the Financial Year 2018-19 shall be laid before the Annual General Meeting for approval of the Members of the Company.

**3. DIVIDEND**

With a view to finance the Company's ongoing projects and considering future plans, no dividend has been recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2019.

#### 4. TRANSFER TO RESERVES

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

#### 5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors recommend appointment/ re-appointment of following Directors:

Appointment of Shri Mukesh Manglik (DIN: 07001509) who retires by rotation and being eligible, offers himself for re-appointment.

During the year Shri Vineet Valentine Davis (DIN: 06709239) and Shri Manoj Shambhu Dixit (DIN: 06709232) were re-appointed as Whole-time Directors of the Company for a further period of one year with effect from 8<sup>th</sup> October, 2018 and their re-appointments were approved by the shareholders of the Company at their Extra Ordinary Annual General Meeting held on 12<sup>th</sup> September, 2018.

Shri Narayan Lodha was appointed as Chief Financial Officer of the Company w.e.f. 9<sup>th</sup> February, 2019.

The Board of Directors, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination & Remuneration Committee, consider that, given their background and experience & contribution made by Shri Shanti Prashad Jain and Shri Venkatanarayanan Sankaranarayanan during their tenure, the continued association of them would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Therefore Shri Shanti Prashad Jain (DIN: 00023379) and Shri Venkatanarayanan Sankaranarayanan (DIN: 01184654), Independent Directors, were re-appointed by the shareholders of the Company as Independent Directors of the Company, for a second term of five years with effect from 29<sup>th</sup> May, 2019 and 21<sup>st</sup> October, 2019 respectively, at their Extra-Ordinary General Meeting held on 27<sup>th</sup> May, 2019.

Ms. Pooja Paul, Non-Executive Non Independent Director of the Company resigned from the office of Director due to personal reasons w.e.f. 18<sup>th</sup> June, 2019.

#### Particulars of shares held by Non-Executive Director

Name of Non-Executive Director	No. of shares held	% of total share holding
Shri Mukesh Manglik	Nil	Nil

#### 6. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is annexed to this report as **Annexure A**.

#### 7. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Section 149 (6) of the Companies Act, 2013 read with the Schedules annexed thereto and Rules made thereunder. They have also confirmed that they have complied with the Code of Conduct as prescribed in the Schedule IV to the Act.

#### 8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

##### Formal Letter of Appointment:

Independent Directors of the Company has been issued a formal Letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities.

### **Separate Meeting of Independent Directors:**

As stipulated under Section 149 of the Companies Act, 2013 (the "Act"), read with Schedule IV of the said Act, a separate meeting of the Independent Directors of the Company was held on 08<sup>th</sup> February, 2019 with the following agenda:

- review the performance of Non-Independent Directors, Board as a whole and Chairperson of the Company; and
- to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Familiarization Programme for Independent Directors:**

The Familiarization Programme seeks to update the Independent Directors on various matters covering Company's strategy, business model, operations, finance, risk management etc. It also seeks to update the Independent Directors with their roles, rights, responsibilities, duties under the Companies Act, 2013 and other statutes.

## **9. PERFORMANCE EVALUATION**

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and Individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance of Board as a whole, Committees of Board and Individual Directors for the Financial Year 2018-19. Further, based on the feedback received by the Company, the Nomination and Remuneration Committee at its Meeting held on 8<sup>th</sup> February, 2019 had noted the Annual Performance of each of the Directors and recommended to the Board to continue the terms of appointment of all the Independent Directors of the Company and the Board of Directors of the Company at its Meeting held on 8<sup>th</sup> February, 2019 noted that the performance of Board, Committees of the Board and Individual Directors and Chairperson (including Chairperson, Independent Directors) is evaluated as satisfactory by this evaluation process.

## **10. MEETINGS OF THE BOARD**

During the year under review, the Board met 6 (Six) times on the following dates, 18<sup>th</sup> May, 2018, 15<sup>th</sup> June, 2018, 07<sup>th</sup> August, 2018, 25<sup>th</sup> October, 2018, 05<sup>th</sup> November, 2018 and 08<sup>th</sup> February, 2019. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013.

## **11. COMMITTEE OF THE BOARD**

### **(i) AUDIT COMMITTEE**

The Audit Committee comprises of three Directors namely Shri Shanti Prashad Jain, Chairman, Shri Mukesh Manglik and Shri V. Sankaranarayanan as Members of the Committee.

During the Financial Year 2018-19, the Audit Committee met 5 (Five) times on 18<sup>th</sup> May, 2018, 15<sup>th</sup> June, 2018, 7<sup>th</sup> August, 2018, 05<sup>th</sup> November, 2018 and 08<sup>th</sup> February, 2019.

The composition of Audit Committee is in compliance of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder.

### **(ii) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was reconstituted on 5<sup>th</sup> November, 2018 and presently comprises of three Directors namely Shri Venkatanarayanan Sankaranarayanan, Chairman, Shri Shanti Prashad Jain and Shri Mukesh Manglik as Members of the Committee.

During the Financial Year 2018-19, the Nomination and Remuneration Committee met 3 (Three) times on 15<sup>th</sup> June, 2018, 7<sup>th</sup> August, 2018 and 08<sup>th</sup> February, 2019.

The composition of Nomination and Remuneration Committee is in compliance of Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder.

### **(iii) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee comprises of three Directors namely Shri Vineet Valentine Davis, Chairman, Shri Mukesh Manglik and Venkatanarayanan Sankaranarayanan as member of the Committee.

During the Financial Year 2018-19, the Corporate Social Responsibility Committee met 2 (Two) times on 15<sup>th</sup> June, 2018 and 08<sup>th</sup> February, 2019.

The composition of Corporate Social Responsibility Committee is in compliance of Section 135 of the Companies Act, 2013 read with relevant Rules made thereunder.

## **12. DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SUB-SECTION (5) OF SECTION 134 OF THE COMPANIES ACT, 2013**

To the best of their knowledge and belief and according to the information and explanations obtained by your Directors, they make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed and there are no departures from the requirements of the Accounting Standards;
- ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the Annual Accounts on a going concern basis;
- v. the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls were adequate and were operating effectively; and
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the Recipient are provided in the Standalone Financial Statements of the Company. Please refer to Notes Nos. 7, 8 & 39 to the Standalone Financial Statements of the Company.

## **14. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts/ arrangements/ transactions entered by the Company during the year under review with Related Parties are approved by the Audit Committee and/or Board and/or Shareholders, wherever necessary, as per the provisions of Section 177 and 188 of the Companies Act, 2013 read with the Rules framed thereunder. The Company had not entered into any contract/ arrangement/ transaction with Related Parties which could be considered

material in accordance with the Policy of the Company on materiality of Related Party Transactions.

All transactions entered with Related Parties for the year under review were on arm's length basis. Further, there were no material related party transactions during the year under review. Hence, disclosures in Form AOC-2 is not required.

#### **15. DEPOSITS**

The Company has not accepted any deposits covered under Chapter V of the Act.

#### **16. CAPITAL AND DEBT STRUCTURE**

During the year under review the Authorised Share Capital of the Company had been increased from the Rs.5,00,000/- divided into 50,000 Equity Shares of Rs.10/- to Rs.60,00,00,000/- divided into 6,00,00,000 Equity Shares of Rs. 10/-

During the year under review, the Company allotted 5,73,39,450 Equity Shares of Rs. 10/- each at a price of Rs. 17.44 per share to Inox Wind Limited, Holding Company upon conversion of Series A-10,00,000 4% Optionally Convertible Debenture of Rs. 1000 each (Out of 50,00,000 divided into 5 Series of 10,00,000 each ). The price was determined on the basis of a valuation report of the registered valuer.

At present, Paid up Share Capital of the Company stands at Rs. 57,38,94,500/-

#### **17. CREDIT RATING OF SECURITIES**

During the period under review, CRISIL reaffirmed its 'CRISIL AA (SO)/Stable' rating on the Non Convertible Debentures (NCDs) of the Company vide its letters dated 04<sup>th</sup> April, 2018, 30<sup>th</sup> June, 2018, 28<sup>th</sup> September, 2018, 16<sup>th</sup> October, 2018, 23<sup>rd</sup> November, 2018 and 31<sup>st</sup> July, 2019.

#### **18. SUBSIDIARY COMPANIES INCLUDING JOINT VENTURE AND ASSOCIATE COMPANIES**

During the year under review, Sri Pavan Energy Private Limited was incorporated as Special Purpose Vehicle to execute 6MW Wind Power Project awarded to the Company by Railways Energy Management Company Limited (REMCL) vide Letter of Award No. REMCL/CO/IR/Wind/6MW/LOA dated 5<sup>th</sup> March, 2018 in respect of its Request for Selection (RfS) No. REMCL/WIND/35MW/2017 dated 10<sup>th</sup> March, 2017.

The Company has the following Subsidiaries which are engaged in the business of development of Wind Farms.

<b>S. No.</b>	<b>Name of Subsidiary Company</b>
1.	Marut-Shakti Energy India Limited
2.	Satviki Energy Private Limited
3.	Sarayu Wind Power (Tallimadugula) Private Limited
4.	Sarayu Wind Power (Kondapuram) Private Limited
5.	Vinirmaa Energy Generation Private Limited
6.	RBRK Investments Limited
7.	Wind One Renergy Private Limited
8.	Wind Two Renergy Private Limited
9.	Wind Three Renergy Private Limited

10.	Wind Four Renergy Private Limited
11.	Wind Five Renergy Private Limited
12.	Suswind Power Private Limited
13.	Vasuprada Renewables Private Limited
14.	Ripudaman Urja Private Limited
15.	Vibhav Energy Private Limited
16.	Haroda Wind Energy Private Limited
17.	Khatiyu Wind Energy Private Limited
18.	Ravapar Wind Energy Private Limited
19.	Nani Virani Wind Energy Private Limited
20.	Vigodi Wind Energy Private Limited
21.	Aliento Wind Energy Private Limited
22.	Tempest Wind Energy Private Limited
23.	Vuelta Wind Energy Private Limited
24.	Flutter Wind Energy Private Limited
25.	Flurry Wind Energy Private Limited
26.	Sri Pavan Energy Private Limited

The Report on the performance and financial position of each of the Subsidiaries of the Company is annexed to this report, in Form AOC-1, pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 as **Annexure B**.

There are no joint ventures or associate companies.

#### **19. INTERNAL FINANCIAL CONTROLS**

The Company has adequate Internal Financial Controls commensurate with its size and nature of its business and is operating satisfactorily. The Board has reviewed Internal Financial Controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company.

#### **20. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted Whistle Blower Policy at its Board Meeting held on 29<sup>th</sup> May 2014 to report concerns about unethical behavior, actual or suspected fraud. Adequate safeguards have been provided in the Policy to prevent victimization of Directors/Employees. No personnel have been denied access to the Audit Committee.

#### **21. INDEPENDENT AUDITORS' REPORT**

There are no reservations, qualifications or adverse remarks in the Independent Auditor's Report. The notes forming part of the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019 are self-explanatory and do not call for any further clarifications under Section 134 (3) (f) of the Companies Act, 2013.

During the year, the Independent Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

## 22. INDEPENDENT AUDITORS

M/s. Dewan P.N. Chopra & Co., Chartered Accountants (Firm Registration No. 000472N) were appointed as Independent Auditors of the Company at the 6<sup>th</sup> Annual General Meeting (AGM) held on 11<sup>th</sup> July, 2018 to hold office from the conclusion of 6<sup>th</sup> AGM till the conclusion of the 11<sup>th</sup> AGM of the Company.

## 23. COST AUDITORS

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company are required to be audited by a Cost Accountant in practice who shall be appointed by the Board. In view of the above, the Company appointed M/s Jain Sharma and Associates, Cost Auditors (Firm Registration No. 000270) to audit the cost audit records maintained by the Company for Financial Year 2019-20 on a remuneration of Rs. 99,000 (Rupees Ninety Nine Thousand only). As required under the referred Section of the Companies Act, 2013 and relevant Rules, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s Jain Sharma and Associates, Cost Auditors is included in the Notice convening the 7<sup>th</sup> Annual General Meeting.

Particulars of Cost Audit Report submitted by M/s. Jain Sharma and Associates, Cost Auditors in respect of Financial Year 2017-18 is as follows:

Financial Year :	2017-18
Due Date of Filing Cost Audit Report:	06 <sup>th</sup> September, 2018
Date of Filing Cost Audit Report:	04 <sup>th</sup> September, 2018

During the year, the Cost Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

## 24. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. VAPN & Associates, Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report given by M/s. VAPN & Associates, in Form MR-3, is annexed to this report as **Annexure C**. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

During the year under review, the Company has complied with the requirements of mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

## 25. STATE OF THE COMPANY'S AFFAIRS

The revenue of the Company was Rs. 22,427.46 Lakhs as compared to previous year Rs. 37,415.64 Lakhs. The loss before tax is Rs. (8,898.06) Lakhs for the year, as compared to previous year loss before tax of Rs. (8165.70) Lakhs. The reduction of revenue as compare to previous year was due to major disruption in Wind Power industry during financial year 2017-18 as it migrated from a feed-in-tariff regime to reverse auction based regime. As a result of this shift in policy, there was a virtual shutdown in the wind power sector for more than two years.

During the year, the Company focused on reducing fixed cost, supply chain costs, administration costs and manpower costs.

## **26. EXTRACT OF ANNUAL RETURN**

In terms of Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2013, the extract of Annual Return as provided in Form No. MGT -9 is annexed to this report as Annexure D and is also available on the Company's website, [www.iwisl.com](http://www.iwisl.com).

## **27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, in the manner prescribed is annexed to this report as **Annexure E**.

## **28. PARTICULARS OF EMPLOYEES**

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said rule is annexed to this report.

Disclosure pertaining to remuneration and other details as required under Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure F**.

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars as required under Rules 5 (2) and 5(3) of the Companies (Appointment of Managerial Personnel and Remuneration) Rules, 2014 which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information may write to the Company Secretary at the Corporate Office of the Company situated at Inox Towers, Plot No. 17, Sector 16A, Noida – 201 301, Uttar Pradesh.

## **29. INSURANCE**

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

## **30. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE AND CSR ACTIVITIES:**

The Corporate Social Responsibility (CSR) Committee comprises of three Directors namely Shri Vineet Valentine Davis, Whole-time Director as Chairman, Shri V Sankaranarayanan, Independent Director and Shri Mukesh Manglik, Non-Independent Director as Members of the Committee.

The composition of CSR Committee is in compliance of Section 135 of the Companies Act, 2013 read with relevant Rules made thereunder. The CSR Policy of the Company is disclosed on the website of the Company. The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as **Annexure G**.

## **31. RISK MANAGEMENT**

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures to review key elements of risks viz Regulatory and Legal, Competition and Financial involved and measures taken to ensure that risk is controlled by means of a properly defined framework. In the Board's view, there are no material risks, which may threaten the existence of the Company.

**32. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place Prevention, Prohibition and Redressal of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has formed an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed off during the year 2018-19.

No. of Complaints outstanding at the beginning of the year	Nil
No. of Complaints Received	Nil
No. of Complaints disposed of	Not Applicable
No. of Complaints Pending at the end of the year	Nil

**33. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

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

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

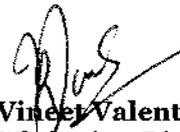
**35. ACKNOWLEDGEMENT**

Your Directors express their gratitude to all external agencies for the assistance, co-operation and guidance received. Your Directors place on record their deep sense of appreciation for the dedicated services rendered by the workforce of the Company.

**By Order of the Board of Directors**



**Mukesh Manglik**  
Director  
(DIN: 07001509)



**Vineet Valentine Davis**  
Whole-time Director  
(DIN: 06709239)

Place: Noida  
Date: 9<sup>th</sup> August, 2019

## Nomination and Remuneration Policy

### 1. Preface:

- a. The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company.
- b. This Nomination and Remuneration Policy (NR Policy) has been formulated, *inter alia*, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of Inox Wind Infrastructure Services Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

### 2. Objectives of this NR Policy:

- a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by NR Committee and recommend to the Board their appointment and removal.
- b. To lay down criteria to carry out evaluation of every Director's performance.
- c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel and other employees to work towards the long term growth and success of the Company.

### 3. Definitions:

- a. "Board" means the Board of Directors of the Company.
- b. "Directors" means the Directors of the Company.
- c. "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.
- d. "Company" means Inox Wind Infrastructure Services Limited.
- e. "Key Managerial Personnel"(KMP) means
  - Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole-time Director;
  - Company Secretary;
  - Chief Financial Officer
- f. "Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs, comprising of all members of management on level below the Executive Directors including the functional heads.
- g. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

### 4. NR Policy

NR Policy is divided into three parts as follows:

#### I. Qualifications

**Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:**

##### a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

**b. Independent Directors**

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

**c. Senior Management Personnel and KMP and Other Employees**

The Company has an Organogram displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the Organogram of the Company.

**II. Remuneration**

**a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel**

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The Managing Director is also eligible for payment of Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and approved by the Shareholders from time to time to be payable to the Managing Director of the Company. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

**b. Structure of Remuneration for Non-executive Director**

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

- i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

**c. Structure of Remuneration for Other Employees**

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

**III. Evaluation**

**a. Criteria for evaluating Non-executive Board members:**

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

**b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel**

Criteria for evaluating performance of KMP and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

**c. Criteria for evaluating performance of Other Employees**

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

**5. Communication of this Policy**

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the web-site of the Company and in the Annual Report of the Company.

**6. Amendment**

Any change in the Policy shall, on recommendation of NR Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

## AOC 1

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

	Name of Subsidiary						
	Marut-Shakti Energy India Limited	Satviki Energy Private Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Vinirrrmaa Energy Generation Private Limited	Sarayu Wind Power (Kondapuram) Private Limited	RBRK Investments Limited	Wind One Renergy Private Limited
	1	2	3	4	5	6	7
Date on which the subsidiary was acquired	13/09/2013	19/11/2015	09/12/2015	23/01/2016	25/03/2016	30/08/2016	26/04/2017
Reporting period, if different from the holding Company							
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable						
Share Capital	61,10,700	83,50,000	1,00,000	5,00,000	1,00,000	7,00,000	1,00,000
Reserves and Surplus	-17,17,18,364	-7,18,835	-1,08,44,973	-1,18,50,954	-44,46,653	-12,24,38,071	-2,89,370
Total Assets	38,83,33,565	85,19,002	2,95,34,215	1,65,45,659	1,11,04,661	7,65,59,616	31,70,538
Total Liabilities (excluding Share Capital and Reserves and Surplus)	55,39,41,229	8,87,837	4,02,79,188	2,78,96,611	1,54,51,314	19,82,97,687	33,59,908
Investments	0	10,27,231	1,96,44,525	1,23,180	0	0	0
Turnover	4,24,43,064	0	0	0	0	0	0
Profit/(Loss) before taxation	-2,86,10,104	1,42,462	-26,81,170	-21,88,444	-15,83,177	-7,63,00,520	-1,64,933
Provision for taxation	0	0	0	0	0	0	0
Profit/(Loss) after taxation	-2,86,10,104	1,42,462	-26,81,170	-21,88,444	-15,83,177	-7,63,00,520	-1,64,933
Proposed Dividend	0	0	0	0	0	0	0
Share Capital	100.00 by Inox Wind Infrastructure Services Limited						

	Name of Subsidiary						
	Wind Two Renergy Private Limited	Wind Three Renergy Private Limited	Wind Four Renergy Private Limited	Wind Five Renergy Private Limited	Vasuprada Renewables Private Limited	Suswind Power Private Limited	Ravapar Wind Energy Private Limited
	8	9	10	11	12	13	14
Date on which the subsidiary was acquired	20/04/2017	20/04/2017	21/04/2017	20/04/2017	27/04/2017	27/04/2017	20/11/2017
Reporting period, if different from the holding Company							
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable						
Share Capital	32,51,00,000	1,00,000	18,51,00,000	18,51,00,000	1,00,000	1,00,000	1,00,000
Reserves and Surplus	-31,36,240	-7,94,502	-30,95,663	-29,58,473	-2,19,585	-17,93,291	-1,02,126
Total Assets	2,23,70,78,014	1,84,27,71,368	1,10,05,56,258	1,17,72,02,683	71,100	87,99,488	36,732
Total Liabilities (excluding Share Capital and Reserves and Surplus)	1,91,51,14,254	1,84,34,65,870	91,84,61,921	99,50,61,156	1,90,685	1,04,92,779	38,858
Investments	3,65,86,956	0	22,61,17,898	4,65,70,952	0	5,03,988	0
Turnover	0	0	0	0	0	0	0
Profit/(Loss) before taxation	-3,85,692	-6,70,065	-3,21,377	-3,11,961	-1,01,605	-1675716	-67,044
Provision for taxation	-5,31,391	0	-4,96,547	-5,35,077	0	0	0
Profit/(Loss) after taxation	1,45,699	-6,70,065	1,75,170	2,23,116	-1,01,605	-1675716	-67,044
Proposed Dividend	0	0	0	0	0	0	0
Share Capital	100.00 by Inox Wind Infrastructure Services Limited						

	Name of Subsidiary					
	Ripudaman Urja Private Limited	Vibhav Energy Private Limited	Haroda Wind Energy Private Limited	Khatiyu Wind Energy Private Limited	Vigodi Wind Energy Private Limited	Flurry Wind Energy Private Limited
	16	16	17	18	19	20
Date on which the subsidiary was acquired	28/04/2017	10/07/2017	16/11/2017	17/11/2017	20/11/2017	18/01/2018
Reporting period, if different from the holding Company						
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable					
Share Capital	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Reserves and Surplus	-2,08,202	-2,31,538	-1,42,549	-1,02,126	-1,39,469	-14,33,827
Total Assets	78,670	46,900	46,900	36,732	78,670	90,25,571
Total Liabilities (excluding Share Capital and Reserves and Surplus)	1,86,872	1,78,438	89,449	38,858	1,18,139	1,03,59,398
Investments	0	0	0	0	0	5,05,195
Turnover	0	0	0	0	0	0
Profit/(Loss) before taxation	-91,116	-1,34,488	-87,501	-67,044	-87,421	-13,91,346
Provision for taxation	0	0	0	0	0	0
Profit/(Loss) after taxation	-91,116	-1,34,488	-87,501	-67,044	-87,421	-13,91,346
Proposed Dividend	0	0	0	0	0	0
Share Capital	100.00 by Inox Wind Infrastructure Services Limited					

	Name of Subsidiary					
	Nani Virani Wind Energy Private Limited	Aliento Wind Energy Private Limited	Tempest Wind Energy Private Limited	Vuelta Wind Energy Private Limited	Flutter Wind Energy Private Limited	Sri Pavan Energy Private Limited
	21	22	23	24	25	26
Date on which the subsidiary was acquired	20/11/2017	17/01/2018	17/01/2018	17/01/2018	18/01/2018	09/04/2018
Reporting period, if different from the holding Company						
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable	Not Applicable				
Share Capital	100,000	1,00,000	100,000	1,00,000	1,00,000	10,00,000
Reserves and Surplus	-1,02,126	-14,33,096	-14,33,827	-14,24,230	-18,86,521	-88,59,693
Total Assets	36,732	90,26,338	90,25,571	90,35,164	85,86,369	33,71,95,890
Total Liabilities (excluding Share Capital and Reserves and Surplus)	38,858	1,03,59,434	1,03,59,398	1,03,59,394	1,03,72,890	34,50,55,583
Investments	0	5,05,195	5,05,195	5,05,195	5,03,988	0
Turnover	0	0	0	0	0	0
Profit/(Loss) before taxation	-67,044	-13,91,382	-13,91,346	-13,81,749	-18,44,040	-88,59,693
Provision for taxation	0	0	0	0	0	0
Profit/(Loss) after taxation	-67,044	-13,91,382	-13,91,346	-13,81,749	-18,44,040	88,59,693
Proposed Dividend	0	0	0	0	0	0
Share Capital	100.00 by Inox Wind Infrastructure Services Limited	51.00 by Inox Wind infrastructure Services Limited				

Names of subsidiaries which have been liquidated or sold during the year: Nil

**Part B – Associates and Joint Ventures**

Statement related to Associate Companies and Joint Ventures Nil

<b>S.No</b>	<b>Particulars</b>	
1	Latest Audited Balance Sheet date	Not Applicable
2	Shares of Associates/Joint Ventures held by the Company on the year end	
	Number	
	Amount of investment in Associates/ Joint Venture	
	Extended holding %	
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	
5	Net worth attributable to Shareholding as per latest balance sheet	
6	Profit/Loss for the year	
	considered in consolidation	
	Not considered in consolidation	

Name of associates or joint ventures which are yet to commence operations: Nil

Names of associates or joint ventures which have been liquidated or sold during the year: Nil



# VAPN & ASSOCIATES.

COMPANY SECRETARIES

FORM NO. MR 3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

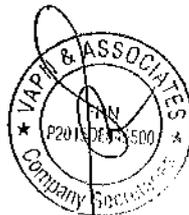
The Members,  
INOX WIND INFRASTRUCTURE SERVICES LIMITED  
CIN: U45207GJ2012PLC070279  
Survey No. 1837 & 1834 At Moje Jetalpur,  
ABS Towers, Second Floor,  
Old Padra Road, Vadodara Gujarat 390007

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INOX WIND INFRASTRUCTURE SERVICES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by INOX WIND INFRASTRUCTURE SERVICES LIMITED for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder and applicable provisions of the Companies Act, 1956;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depository Acts, 1996 and the Regulations and Bye Laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External



office: 506,5th Floor,B-8, GD ITL Twin Tower,Netaji Subhash Place,Pitampura,Delhi-110034



Commercial Borrowings. (are not applicable as the Company have not received any investment under FDI or any External Commercial Borrowing nor made any Overseas Direct investment during the financial year under the review)

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review)
  - The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015 are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review);
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (are not applicable as the Company have not issued any further Share Capital during the financial year under the review)
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (are not applicable as the Company have not issued any Equity Share Capital under ESOP Scheme during the financial year under the review)
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review);
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company and dealing with clients; (are not applicable as the Company is not registered as a Registrar to issue and Share Transfer Agent during the financial year under the review)
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review)

We have also examined compliance with the applicable clauses of the following:-

- The Secretarial Standards with regards to meeting of Board of Directors (SS1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and;
- The Listing Agreement issued by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.





# VAPN & ASSOCIATES.

COMPANY SECRETARIES

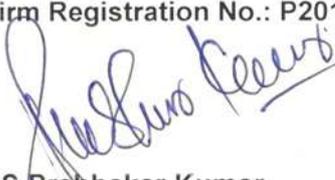
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

- The Board of Directors of the Company is duly constituted with required numbers of Executive Directors, Non-Executive Directors and Independent Directors.
- Proper notice were given to all the directors of the schedule Board/ Committee and Shareholders Meetings, with agenda along with the detailed notes on agenda, and were circulated at least seven days in advance and a system exists for seeking and obtaining the further information and clarifications, wherever necessary, on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority of decisions were carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further to report that the based on review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the respective Department heads and the Directors, that were duly placed before and taken on the record by the Board of Directors in their meeting(s), we are of the opinion that there are adequate systems and processes within the company that commensurate with the size and operations of the company to monitor and ensure the compliance with applicable laws, rules, regulations and guidelines.

For VAPN & Associates  
Company Secretaries  
Firm Registration No.: P2015DE045500

  
CS Prabhakar Kumar  
Partner  
CP No.: 10630



Place: New Delhi  
Date: 29.07.2019

office: 506,5th Floor,B-8, GD ITL Twin Tower,Netaji Subhash Place,Pitampura,Delhi-110034



To,

**The Members,**  
**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
CIN: U45207GJ2012PLC070279  
Survey No. 1837 & 1834 At Moje Jetalpur,  
ABS Towers, Second Floor,  
Old Padra Road, Vadodara Gujarat 390007

**Our Secretarial Audit Report of even date is to be read along with this letter.**

**Management's Responsibility:**

It is the responsibility of the management of the Company to maintain the secretarial records, and to devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility:**

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respects to Secretarial Compliances.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Our examination was limited to the verification of procedures on test basis.

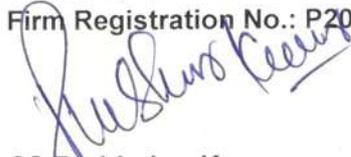




## Disclaimer

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For VAPN & Associates  
Company Secretaries  
Firm Registration No.: P2015DE045500

  
CS Prabhakar Kumar  
Partner  
CP No.: 10630



Place: New Delhi  
Date: 29.07.2019

## MGT 9

**Extract of Annual Return as on the Financial Year ended on 31<sup>st</sup> March, 2019**  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies  
(Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS

i.	Corporate Identification Number	:	U45207GJ2012PLC070279
ii.	Registration Date	:	11 <sup>th</sup> May, 2012
iii.	Name of the Company	:	Inox Wind Infrastructure Services Limited
iv.	Category/Sub-Category of the Company	:	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered Office and Contact Details	:	Registered Office : Survey No. 1837 & 1834 at Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat - 390007 Tel: 0265 6198111/2330057 Fax: 0265 2310312
vi.	Whether listed company yes or no	:	Yes, Non-convertible Debentures are listed on BSE Limited.
vii.	Name, Address and Contact Details of Registrar and Share Transfer Agents, if any	:	Not Applicable

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more the total turnover of the company shall be stated:

S. No	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1.	Erection, Commissioning, Operation and Maintenance Services For Wind Farm Projects	4220	95.96%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	CIN/GIN and Name of the Company	Holding/subsidiary/associate	% of shares held	Applicable Section
1.	L31901HP2009PLC031083 Inox Wind Limited Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal-174303, District Una, Himachal Pradesh	Holding	100%	2 (46)
2.	U65910MH1995PLC085703 Inox Leasing and Finance Limited 69, Jolly Maker Chambers II, Nariman Point, Mumbai – 400021, Maharashtra	Holding	NIL	2 (46)
3.	L24110GJ1987PLC009362 GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	Holding	NIL	2 (46)

	Survey No. 16/3, 26 and 27 Ranjitnagar - 389380 Taluka Ghoghamba, District Panchmahal, Gujarat			
4.	U04010GJ2000PLCo83233 Marut-Shakti Energy India Limited Plot No. 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara-390 007, Gujarat	Subsidiary	100%	2 (87)
5.	U40100AP2013PTCo89795 Satviki Energy Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Ranareddi, Telangana – 500 084	Subsidiary	100%	2 (87)
6.	U40108TG2012PTCo78732 Sarayu Wind Power (Tallimadugula) Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Ranareddi, Telangana – 500 084	Subsidiary	100%	2 (87)
7.	U40109TG2007PTCo56146 Vinirraa Energy Generation Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Ranareddi, Telangana – 500 084	Subsidiary	100%	2 (87)
8.	U40108TG2012PTCo78981 Sarayu Wind Power (Kondapuram) Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Ranareddi, Telangana – 500 084	Subsidiary	100%	2 (87)
9.	U40100TG2005PLCo47851 RBRK Investments Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Ranareddi, Telangana – 500 084	Subsidiary	100%	2 (87)
10.	U40106GJ2017PTCo97088 Wind One Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers,	Subsidiary	100%	2 (87)

	2nd Floor, Old Padra Road, Vadodara -390007, Gujarat			
11.	U40300GJ2017PTC096960 Wind Two Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Subsidiary	100%	2 (87)
12.	U40200GJ2017PTC096956 Wind Three Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Subsidiary	100%	2 (87)
13.	U40300GJ2017PTC097003 Wind Four Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Subsidiary	100%	2 (87)
14.	U40100GJ2017PTC096973 Wind Five Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Subsidiary	100%	2 (87)
15.	U40300GJ2017PTC097128 Suswind Power Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
16.	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
17.	U40300GJ2017PTC097140 Ripudaman Urja Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
18.	U40106GJ2017PTC098230 Vibhav Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
19.	U40300GJ2017PTC099818 Haroda Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
20.	U40300GJ2017PTC099831	Subsidiary	100%	2 (87)

	Khatiyu Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat			
21.	U40300GJ2017PTC099851 Vigodi Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
22.	U40300GJ2017PTC099854 Ravapar Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
23.	U40300GJ2017PTC099852 Nani Virani Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
24.	U40300GJ2018PTC100585 Aliento Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
25.	U40106GJ2018PTC100590 Tempest Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
26.	U40106GJ2018PTC100591 Vuelta Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
27.	U40300GJ2018PTC100609 Flutter Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
28.	U40200GJ2018PTC100607 Flurry Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	100%	2 (87)
29.	U40300GJ2018PTC101713 Sri Pavan Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara-390007, Gujarat	Subsidiary	51%	2 (87)

IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of total equity

i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year (1 <sup>st</sup> April, 2018)			No. of shares held at the end of the year (31 <sup>st</sup> March, 2019)			% change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
<b>A. Promoter (1) Indian</b>									
Individual /HUF	0	600*	600*	1.20*	600*	0	600*	0.00*	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	49,400	49,400	98.98	5,73,88,850	0	5,73,88,850	100.00	116071.76
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	<b>5,73,89,450</b>	<b>0</b>	<b>5,73,89,450</b>	<b>100.00</b>	<b>114678.90</b>
<b>(2) Foreign</b>									
NRIs - Individuals	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) 2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)=A(1)+A(2)</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	<b>5,73,89,450</b>	<b>0</b>	<b>5,73,89,450</b>	<b>100.00</b>	<b>114678.90</b>





(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01 <sup>st</sup> April, 2018)			Shareholding at the end of the year (31 <sup>st</sup> March, 2019)			% change in Shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	INOX WIND LIMITED	49,400	98.80	-	5,73,88,850	100.00	-	116071.76
2	SHRI VIVEK KUMAR JAIN	100*	0.20*	-	100*	Negligible *	-	0
3	SHRI DEVENDRA KUMAR JAIN	100*	0.20*	-	100*	Negligible *	-	0
4	SHRI DEVANSH JAIN	100*	0.20*	-	100*	Negligible *	-	0
5	SHRI PAVAN KUMAR JAIN	100*	0.20*	-	100*	Negligible *	-	0
6	SHRI SIDDHARTH JAIN	100*	0.20*	-	100*	Negligible *	-	0
7	SHRI MUKESH PATNI	100*	0.20*	-	100*	Negligible *	-	0
	<b>Total</b>	<b>50,000</b>	<b>100.00</b>	<b>-</b>	<b>5,73,89,450</b>	<b>100.00</b>	<b>-</b>	<b>114678.90</b>

\*Holding as nominee of Inox Wind Limited (Promoter of the Company)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Transaction during the year		Cumulative Shareholding at the end of the year (31 <sup>st</sup> March, 2019)		
	No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No. of shares held	% of total shares of the company	
1.	Inox Wind Limited	50,000	100.00	27.10.2018	5,73,39,450	5,73,89,450*	100.00

\*includes 600 shares held by 6 nominees of Inox Wind Limited.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Shareholding at the beginning of the year (01 <sup>st</sup> April, 2018)		Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Not Applicable				

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Director</b>				
1.	Shri Mukesh Manglik	0	-	0	-
2.	Shri Venkatanarayanan Sankaranarayanan	0	-	0	-
3.	Shri Shanti Prashad Jain	0	-	0	-
4.	Ms.Pooja Paul	0	-	0	-
	<b>Key Managerial Personnel</b>				
5.	Shri Vineet Valentine Davis	0	-	0	-
6.	Shri Manoj Shambhu Dixit	0	-	0	-
7.	Shri Abhishek Dahia	0	-	0	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount (Rs in Lakhs)

Details of Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	35,000.00	15,876.14	-	50,876.14
ii. Interest due but not paid	189.69	-	-	189.69
iii. Interest accrued but not due	1242.74	269.82	-	1,512.56
<b>Total (i+ii+iii)</b>	<b>36,432.43</b>	<b>16,145.96</b>	-	<b>52,578.39</b>
<b>Change in Indebtedness during the financial year</b>				
· Addition	3,902.07	54,081.70	-	57983.76
· Reduction		33,574.82	-	33,574.82
<b>Net Change</b>	<b>3,902.07</b>	<b>20,506.88</b>		<b>24408.95</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	39,222.00	34,845.86	-	74,067.86
ii. Interest due but not paid	191.53	-	-	191.53
iii. Interest accrued but not due	920.96	1806.98	-	2,727.94
<b>Total (i+ii+iii)</b>	<b>40,334.50</b>	<b>36,652.84</b>	-	<b>76,987.34</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs. in lakhs)
		Shri Vineet Valentine Davis, WTD	Shri Manoj Shambhu Dixit, WTD	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37.77	27.89	65.66
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify (Employee Provident Fund)	3.02	0.22	3.24
	Total (A)	40.79	28.11	68.90
	Ceiling as per the Act			*

\* Not applicable as the Company has incurred losses

### B. Remuneration to Other Directors

S. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs. in lakhs)
		Shri Shanti Prashad Jain	Shri Venkatanarayanan Sankaranarayanan	
1	Independent Directors			
	Fee for attending Board/Committee Meetings	2.00	1.60	3.60
	Commission	-	-	-
	Others	-	-	-
	Total (1)			3.60
2	Other Non-Executive Directors			
	Fee for attending Board/Committee Meetings	2.20	1.20	3.40
	Commission	-	-	-
	Others	-	-	-
	Total (2)	2.20	1.20	3.40
	Total of B = (1+2)			7.00

Total Managerial Remuneration	75.90
Overall Ceiling as per the Act	*

\* Not applicable as the Company has incurred losses

**C. Remuneration to Key Managerial Personnel (KMP) other than MD/ Manager/WTD**

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer	Company Secretary (Shri Abhishek Dahia)	Chief Financial Officer Shri Narayan Lodha (from 09 <sup>th</sup> February, 2019 to 31 <sup>st</sup> March, 2019)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	6.76	0	6.76
	(b) Value of perquisites u/s		0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option		0	0	
3.	Sweat Equity		0	0	
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify (Employee Provident Fund)		0.22	0	0.22
	Total		6.98	0	6.98

**VII. Penalties / Punishments / Compounding of Offences**

Type	Section of the Companies Act 2013	Brief Description:	Details of Penalty / Punishment / Compounding fees imposed	Authority [Rd / NCLT / Court]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty		Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
<b>C. Other Officers in default</b>					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil

To The Directors' Report

Information as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

**(A) CONSERVATION OF ENERGY**

Not Applicable

**(B) TECHNOLOGY ABSORPTION**

Nil

**(C) THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT**

Nil

**(D) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign exchange Earned	-	Nil
Foreign exchange Outgo	-	Nil

**Annexure F**

**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

<b>Sr. No.</b>	<b>Name of Director / KMP for FY 2018-19</b>	<b>Remuneration of Director /KMP for FY 2018-19 (Rs in Lakh)</b>	<b>% increase in remuneration in the Financial Year 2018-19</b>	<b>Ratio of Remuneration of each of Director to median remuneration of employees</b>
1	Shri Vineet Valentine Davis, Whole-time Director	40.79	0.00%	1 : 12.65
2	Shri Manoj Shambhu Dixit, Whole-time Director	28.11	14.63%	1 : 10.77
3	Shri V. Sankaranarayanan, Independent Director	*	*	*
4	Shri Shanti Prashad Jain, Independent Director	*	*	*
5	Shri Mukesh Manglik, Non-Independent Director	*	*	*
6	Ms. Pooja Paul, Non-Independent Director#	*	*	*
7	Shri Abhishek Dahia, Company Secretary	6.98	13.65%	1 : 2.64

\*Directors are only paid Sitting fees and no other remuneration.

#resigned from the Directorship w.e.f. 18<sup>th</sup> June, 2019.

- ii. The Percentage of increase in the median remuneration of employees in the Financial Year:

Percentage of increase in the median remuneration of employees is 1.59%

- iii. The Number of Permanent Employees on the rolls of the Company:

The number of permanent Employees on the rolls of the Company as on 31<sup>st</sup> March, 2019 was 489

- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year:

Average percentile of increase in salaries of employees is 2.60%

- v. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is confirmed that the remuneration is as per the Remuneration Policy of the Company.

Note: In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars as required under Rule 5 (2) and (3) of the Companies (Appointment of Managerial Personnel and Remuneration) Rules, 2014, as amended, which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information, he/ she may write to the Director of the Company at the Corporate Office of the Company situated at Inox Towers, Plot No. 17, Sector 16A, Noida – 201 301, Uttar Pradesh.

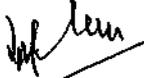
**Annexure G**

**Report on CSR Activities of the Company as per Companies (Corporate Social Responsibility Policy Rules, 2014**

S. No	Particulars	Compliance
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and project or programmes	CSR Policy adopted by the Company includes all the activities which are prescribed under Schedule VII of the Companies Act, 2013.
2.	The Composition of CSR Committee	Shri Vineet Valentine Davis, Whole-time Director Shri Mukesh Manglik, Non-Executive Director Shri V. Sankaranarayanan, Independent Director
3.	Average net profit /loss of the Company for last three financial years	Rs. (290.69) Lakh
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above.	Nil
5.	Details of CSR spent during the financial year	
	a. Total amount to be spent for the Financial Year	N A.
	b. Amount unspent if any	N A.
	c. Manner in which the amount spent during financial year is detailed below	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered - Schedule VII	Projects or programmes (1) Local area or (2) Specify the State and District where projects or programmes were undertaken	Amount outlay (budget project or programme wise)	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads (Rs in Lakhs)	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
			Nil				

Sr. No.	Particulars	
1	In case the Company has failed to spend the two percent of the average net profit of last three financial years or any part thereof, the company shall provide reasons for not spending the amount in its Board Report.	N.A
2	A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.	CSR Policy implementation is in compliance with the CSR objectives and Policy of the Company.

  
 Mukesh Manglik  
 Director  
 DIN: 07001509

  
 Vineet Valentine Davis  
 Chairman, CSR Committee  
 DIN: 06709239

Date: 9<sup>th</sup> August, 2019  
 Place: Noida

# Dewan P.N. Chopra & Co.

Chartered Accountants

C-109, Defence Colony, New Delhi - 110 024, India

Phones +91-11-24645895/96 E-mail : audit@dpncindia.com

## INDEPENDENT AUDITOR'S REPORT

To the Members of Inox Wind Infrastructure Services Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone financial statements of Inox Wind Infrastructure Services Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

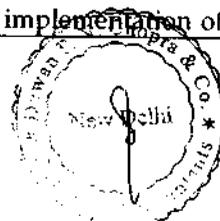
### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key audit Matters	How our audit addressed the key audit matter
<b>Adoption of Ind AS 115 - Revenue from Contracts with Customers</b>	
As described in Note 3.1 to the standalone financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of	Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include -  • Evaluated the design and implementation of the



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<p>focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.</p>	<p>processes and internal controls relating to implementation of the new revenue accounting standard;</p> <ul style="list-style-type: none"> <li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li> <li>• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;</li> <li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>
<p><b>Evaluation of uncertain tax positions</b></p>	
<p>The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of key uncertain tax positions; and</li> <li>➤ Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;</li> <li>➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> <li>➤ Assessed management's estimate of the possible outcome of the disputed cases.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information (hereinafter referred as "the Reports"), but does not include the standalone financial statements and our auditor's report thereon. The Reports 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.

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.

**Responsibility of Management for Standalone Financial Statements**



The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

The audited financial statements of the company for the corresponding period ended March 2018 included in these financial statements, have been audited by the predecessor auditors whose audit report dated May 18, 2018 expressed an unmodified opinion on those audited financial statements. Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 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, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

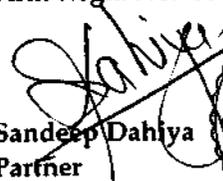
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position other than disclosed in the standalone financial statement (Refer Note No. 43 to the standalone financial statement);

ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses on long-term contracts including derivative contracts (Refer Note No. 37 to the standalone financial statement).

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Dewan P. N. Chopra & Co.  
Chartered Accountants  
Firm Regn. No. 000472N

  
Sandeep Dahiya  
Partner

Membership No. 50537



Place: New Delhi  
Date: 18 May 2019

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph - 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date.)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:-

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
(b) The management has physically verified the property, plant and equipment at reasonable intervals and no material discrepancies were noticed on such verification.  
(c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The management has physically verified the inventory at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) The company has granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
  - (a) In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the company's interest.
  - (b) Based on information provided by the management, the loans are repayable on demand and hence we are unable to make specific comment on the regularity of repayment of principal & repayment of interest.
  - (c) Based on information provided by the management, the loans are repayable on demand and hence this paragraph is not applicable.
- (iv) In our opinion, in respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits, hence the paragraph 3(v) of the order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, nor we are required, carried out detailed examination of such accounts and records.
- (vii) (a) On the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities, though there has been a slight delay in a few cases, to the extent applicable to it.



In our opinion, except in below case, no undisputed amounts payable in respect of provident fund, income tax, goods and services tax, sales tax, value added tax, duty of customs, duty of excise service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable:

Name of the Statute	Nature of dues	Amount (In lakh)	Period to which the amount relates	Due Date	Date of Repayment	Remarks
Building and Other Construction Workers Act	Labour cess on construction.	257.72	-	-	-	

(b) On the basis of our examination of the books of accounts and records, there are no dues of income tax or goods and services tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

- (viii) On the basis of our examination of the books of accounts and records and in our opinion, there is no default in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders except that there were few delays in repayment of principal and payment of interest to bank as mentioned below. There are no defaults as at the balance sheet date.

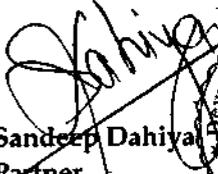
Name of Lendor	Amount of default (in lakh)	Due Date of Repayment	Repayment Date	Delay in Days
Aditya Birla Finance Ltd	51.27	01-01-19	14-02-19	44

- (ix) In our opinion the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year have been applied for the purpose for which they were obtained.
- (x) In our opinion, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the records of the Company and in our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) Based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) Based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Dewan P. N. Chopra & Co.  
Chartered Accountants  
Firm Regn. No. 000472N

  
Sandeep Dahiya  
Partner  
Membership No. 505371



Place: New Delhi  
Date: 18 May 2019

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INOX WIND INFRASTRUCTURE SERVICES LIMITED**

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

We have audited the internal financial controls over financial reporting of Inox Wind Infrastructure Services Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

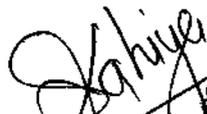
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

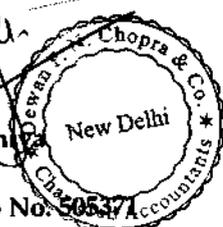
## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi  
Date: 18 May 2019

For Dewan P. N. Chopra & Co.  
Chartered Accountants  
Firm Regn. No. 000472N

  
Sandeep Dahya  
Partner  
Membership No. 505371



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Standalone Balance Sheet as at 31 March 2019**

Particulars	Notes	(Rs. in Lakhs)	
		As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	5	47,576.03	49,696.09
(b) Capital work-in-progress		5,349.48	1,046.32
(c) Intangible assets	6	9.93	16.21
(d) Financial assets			
(i) Investments	7		
-In subsidiaries		1,036.77	1,030.67
-In associates		6,955.00	6.00
(ii) Loans	8	1,192.83	1,266.50
(iii) Other non-current financial assets	9	30,973.98	25,226.59
(e) Deferred tax assets (net)	10	3,220.03	71.89
(f) Income tax assets (net)	11	1,464.64	1,654.37
(g) Other non-current assets	12	2,205.98	1,009.66
<b>Total Non - current assets</b>		<b>99,984.67</b>	<b>81,024.30</b>
<b>2 Current assets</b>			
(a) Inventories	13	38,106.46	24,816.12
(b) Financial assets			
(i) Other investments	7	133.66	-
(ii) Trade receivables	14	19,306.33	24,559.30
(iii) Cash and cash equivalents	15	29.71	178.33
(iv) Bank balances other than (iii) above	16	442.32	2,168.39
(v) Loans	8	2,636.55	6,270.84
(vi) Other current financial assets	9	6,803.91	4,028.92
(c) Other current assets	12	18,704.05	9,383.24
<b>Total Current assets</b>		<b>86,162.99</b>	<b>71,405.14</b>
<b>Total Assets</b>		<b>1,86,147.66</b>	<b>1,52,429.44</b>



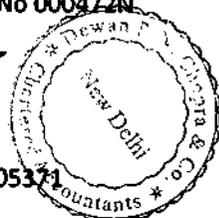
**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Standalone Balance Sheet as at 31 March 2019**

Particulars	Notes	(Rs. in Lakhs)	
		As at 31 March 2019	As at 31 March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	5,738.95	5.00
(b) Equity component of compound financial instrument	19	3,290.28	3,290.28
(c) Other equity	18	(5,315.47)	(3,869.23)
<b>Total equity</b>		<b>3,713.76</b>	<b>(573.95)</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	52,628.53	54,856.06
(ii) Other financial liabilities	21	1,517.12	2,651.24
(b) Provisions	22	175.19	232.90
(c) Other non-current liabilities	23	10,252.11	6,157.05
<b>Total Non-current liabilities</b>		<b>64,572.95</b>	<b>63,897.25</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	36,652.84	15,876.14
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		61.65	69.26
b) total outstanding dues of creditors other than micro and small enterprises		38,337.73	34,538.83
(iii) Other financial liabilities	21	30,527.22	32,456.58
(b) Provisions	22	41.74	75.57
(c) Other current liabilities	23	12,239.77	6,089.76
<b>Total current liabilities</b>		<b>1,17,860.95</b>	<b>89,106.14</b>
<b>Total Equity and Liabilities</b>		<b>1,86,147.66</b>	<b>1,52,429.44</b>

The accompanying notes ( 1 to 50) are an integral part of the standalone financial statements

As per our report of even date attached  
**For Dewan PN Chopra & Co.**  
Chartered Accountants  
Firm's Registration No 000472N

  
**Sandeep Dahiya**  
Partner  
Membership No. 505371

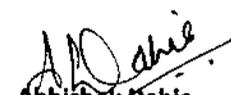


For and on behalf of the Board of Directors

  
**Manoj Dixit -**  
Director  
DIN : 06709232

  
**Vineet Davis**  
Director  
DIN : 06709239

  
**Narayan Lodha**  
Chief Financial Officer

  
**Abhishek Dahiya**  
Company Secretary

Place : Noida  
Date : 18 May 2019

Place : Noida  
Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Standalone Statement of Profit and Loss for the year ended 31 March 2019**

Particulars	Notes	(Rs. in Lakhs)	
		2018-19	2017-2018
<b>Revenue</b>			
Revenue from operations	26	21,520.75	36,672.38
Other income	27	906.71	743.26
<b>Total Revenue (I)</b>		<b>22,427.46</b>	<b>37,415.64</b>
<b>Expenses</b>			
EPC, O&M and Common Infrastructure facility expense	28	18,554.76	23,684.08
Changes in inventories of work-in-progress	29	(6,179.07)	5,662.30
Employee benefits expense	30	3,063.60	3,561.93
Finance costs	31	9,998.53	6,499.23
Depreciation and amortisation expense	32	2,715.19	1,660.79
Other expenses	33	1,424.83	3,415.69
<b>Total Expenses (II)</b>		<b>29,577.84</b>	<b>44,484.02</b>
<b>Profit/(Loss) before tax (I-II=III)</b>		<b>(7,150.38)</b>	<b>(7,068.38)</b>
Add: Exceptional items (IV)	40	(1,747.68)	(1,097.32)
<b>Profit/(Loss) before tax (III - IV = V)</b>		<b>(8,898.06)</b>	<b>(8,165.70)</b>
<b>Tax expense (VI):</b>	34		
Current tax		-	-
MAT credit entitlement		-	-
Deferred tax		(3,179.13)	(2,365.62)
Taxation pertaining to earlier years		-	(10.15)
		<b>(3,179.13)</b>	<b>(2,375.77)</b>
<b>Profit/(Loss) for the year (V-VI=VII)</b>		<b>(5,718.93)</b>	<b>(5,789.93)</b>
<b>Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		88.70	82.55
Tax on above		(30.99)	(28.85)
<b>Total Other Comprehensive income (VIII)</b>		<b>57.71</b>	<b>53.70</b>
<b>Total Comprehensive income for the year (VII + VIII)</b>		<b>(5,661.22)</b>	<b>(5,736.23)</b>
Basic earnings/(loss) per equity share of Rs. 10 each (in Rs.)	35	(23.29)	(11,579.86)
Diluted earnings/(loss) per equity share of Rs. 10 each (in Rs.)	35	(23.29)	(11,579.86)

The accompanying notes ( 1 to 50) are an integral part of the standalone financial statements

As per our report of even date attached

For Dewan PN Chopra & Co.

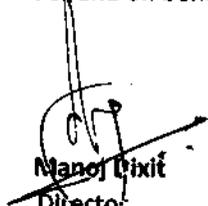
Chartered Accountants

Firm's Registration No 000472N

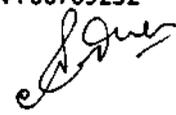
  
**Sandeep Dahiya**  
 Partner  
 Membership No. 505371



For and on behalf of the Board of Directors

  
**Manoj Dixit**  
 Director

DIN : 06709232

  
**Narayan Lodha**  
 Chief Financial Officer

  
**Vineet Davis**  
 Director

DIN : 06709239

  
**Anishek Dahiya**  
 Company Secretary

Place : Noida  
 Date : 18 May 2019

Place : Noida  
 Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Standalone Statement of cash flows for the year ended as 31 March 2019

Particulars	2018-2019	(Rs. in Lakhs)
		2017-2018
Profit/(loss) for the year	(5,718.93)	(5,789.93)
Adjustments for:		
Tax expense	(3,179.13)	(2,375.77)
Finance costs	9,998.53	6,499.23
Interest income	(900.05)	(708.30)
Allowance for expected credit losses	106.81	2.89
Bad debts, remissions and liquidated damages	125.96	924.81
Depreciation and amortisation expense	2,715.19	1,660.79
Net (gains)/loss on derivative portion of compound financial instrument	-	1,573.16
Net (gains)/loss on Mutual Fund	(6.66)	-
Impairment in value of investment in subsidiaries	-	268.30
Impairment in value of inter-corporate deposit to subsidiaries	1,747.68	829.02
<b>Operating profit/(loss) before working capital changes</b>	<b>4,889.40</b>	<b>2,884.20</b>
Movements in working capital:		
(Increase)/Decrease in Trade receivables	5,020.20	13,882.78
(Increase)/Decrease in Inventories	(13,290.34)	7,303.72
(Increase)/Decrease in Loans	73.67	148.40
(Increase)/Decrease in Other financial assets	(8,679.76)	(11,437.75)
(Increase)/Decrease in Other assets	(9,124.58)	(3,520.22)
Increase/(Decrease) in Trade payables	3,791.29	(4,130.64)
Increase/(Decrease) in Other financial liabilities	(94.02)	255.97
Increase/(Decrease) in Other liabilities	10,245.07	3,131.17
Increase/(Decrease) in Provisions	(2.84)	76.57
<b>Cash generated from operations</b>	<b>(7,171.91)</b>	<b>8,594.20</b>
Income taxes paid	138.68	(1,333.53)
<b>Net cash generated from/(used in) operating activities</b>	<b>(7,033.23)</b>	<b>7,260.67</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including changes in capital work-in-progress, capital creditors and capital advance)	(8,259.45)	(16,658.83)
Investment in subsidiaries and associates	(7,005.64)	(19.00)
Movement in consideration payable for business combination	-	25.00
Purchase of mutual funds	(127.00)	-
Interest received	451.75	165.01
Inter corporate deposits given	(1,028.52)	(3,456.29)
Inter corporate deposits received back	3,338.75	1,864.00
Movement in Bank fixed deposits	1,908.13	(993.04)
<b>Net cash (used in) investing activities</b>	<b>(10,721.98)</b>	<b>(19,073.15)</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Standalone Statement of cash flows for the year ended as 31 March 2019**

Particulars	2018-2019	(Rs. in Lakhs)
		2017-2018
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings	20,777.69	39,861.46
Repayment of non-current borrowings	(15,551.27)	(24,500.00)
Proceeds from issue of share capital (See note 17(f))	-	-
Proceeds from/(repayment of) short term loans (net)	20,776.70	(864.86)
Finance costs	(8,396.53)	(6,321.24)
<b>Net cash generated from financing activities</b>	<b>17,606.59</b>	<b>8,175.36</b>
<b>Net increase in cash and cash equivalents</b>	<b>(148.62)</b>	<b>(3,637.12)</b>
Cash and cash equivalents at the beginning of the year	178.33	3,815.45
Cash and cash equivalents at the end of the year	29.71	178.33

**Changes in liabilities arising from financing activities during the year ended 31 March 2019**

Particulars	(Rs. in Lakhs)		
	Current borrowings	Non Current borrowings	Equity Share Capital
Opening Balance	16,145.96	81,177.90	5.00
Conversion of Debenture into Equity	-	(10,000.00)	5,733.95
Cash flows	20,776.70	5,226.42	-
Interest expense	2,654.46	6,126.33	-
Interest paid	(1,117.30)	(7,312.14)	-
Unwinding cost of compounding financial instrument	-	2,333.73	-
<b>Closing Balance</b>	<b>38,459.82</b>	<b>77,552.24</b>	<b>5,738.95</b>

**Changes in liabilities arising from financing activities during the year ended 31 March 2018**

Particulars	(Rs. in Lakhs)		
	Current borrowings	Non Current borrowings	Equity Share Capital
Opening Balance	18,117.29	62,583.09	5.00
Cash flows	(864.86)	15,361.46	-
Interest expense	1,397.70	4,804.31	-
Interest paid	(2,504.17)	(3,568.13)	-
Unwinding cost of compounding financial instrument	-	1,997.17	-
<b>Closing Balance</b>	<b>16,145.96</b>	<b>81,177.90</b>	<b>5.00</b>

**Notes:**

- 1 The above standalone statement of cash flows has been prepared and presented under the indirect method.
- 2 Components of cash and cash equivalents are as per Note 15
- 3 The accompanying notes ( 1 to 50) are an integral part of the standalone financial statements

As per our report of even date attached

**For Dewan PN Chopra & Co.**

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**

Partner

Membership No. 505371

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

**Manoj Dixit**

Director

DIN : 06709232

**Narayan Lodha**

Chief Financial Officer

**Vineet Davis**

Director

DIN : 06709239

**Abhishek Dahiya**

Company Secretary

Place : Noida

Date : 18 May 2019

Place : Noida

Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
Statement of changes in equity for the year ended 31 March 2019

**A. Equity share capital**

Particulars	(Rs. in Lakhs)
Balance as at 1 April 2017	5.00
Changes in equity share capital during the year	-
Balance as at 31 March 2018	5.00
Changes in equity share capital during the year	5,733.95
Balance as at 31 March 2019	5,738.95

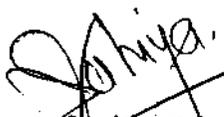
**B. Other equity**

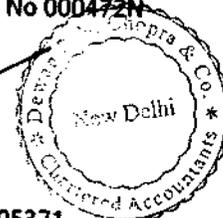
Particulars	Reserve and Surplus			Total
	Securities premium	Debenture Redemption Reserve	Retained earnings	
Balance as at 1 April 2017	-	1,800.00	67.00	1,867.00
Additions during the year:				
Profit for the year	-	-	(5,789.93)	(5,789.93)
Other comprehensive income for the year, net of income tax (*)	-	-	53.70	53.70
<b>Total comprehensive income for the year</b>	-	-	<b>(5,736.23)</b>	<b>(5,736.23)</b>
Transfer from retained earnings				
Balance as at 31 March 2018	-	1,800.00	(5,669.23)	(3,869.23)
Additions during the year:				
Security Premium	4214.98			4,214.98
Loss for the year			(5,718.93)	(5,718.93)
Other comprehensive income for the year, net of income tax (*)			57.71	57.71
<b>Total comprehensive Income for the year</b>	<b>4,214.98</b>	<b>-</b>	<b>(5,661.22)</b>	<b>(1,446.24)</b>
Balance as at 31 March 2019	4,214.98	1,800.00	(11,330.45)	(5,315.47)

(\*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

The accompanying notes ( 1 to 50) are an integral part of the standalone financial statements

As per our report of even date attached  
For Dewan PN Chopra & Co.  
Chartered Accountants  
Firm's Registration No 000472N

  
Sandeep Dabiya  
Partner  
Membership No. 505371



For and on behalf of the Board of Directors

  
Manoj Dixit  
Director  
DIN : 06709232

  
Vineet Davis  
Director  
DIN : 06709239

  
Narayan Lodha  
Chief Financial Officer

  
Abhishek Dahia  
Company Secretary

Place : Noida  
Date : 18 May 2019

Place : Noida  
Date : 18 May 2019

## Inox Wind Infrastructure Services Limited

### Notes to the standalone financial statements for the year ended 31 March 2019

#### 1. Company information

Inox Wind Infrastructure services Limited ("the Company") is a public limited company incorporated in India. The Company is engaged in the business of Erection, Procurement and Commissioning ("EPC"), Operations and Maintenance ("O&M"), Common Infrastructure Facilities services and Development of wind farm services for WTGs. The Company is a subsidiary of Inox Wind Limited which is a subsidiary of Gujarat Fluorochemicals Limited and its ultimate holding company is Inox Leasing and Finance Limited. The area of operations of the Company is within India.

The Company's registered office is located at Survey No. 1837 & 1834 ABS Tower, 2<sup>nd</sup> Floor, Old Padra Road, Vadodara- 390007, Gujarat.

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

##### 2.1 Statement of Compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

##### 2.2 Basis of Measurement

These Financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

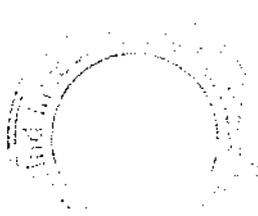
These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized 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.



## Inox Wind Infrastructure Services Limited

### Notes to the standalone financial statements for the year ended 31 March 2019

#### 2.3 Basis of Preparation and Presentation

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

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

- the asset/liability is expected to be realized/settled in the 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.

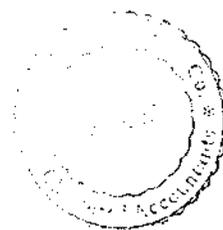
All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

These Financial Statements were authorized for issue by the Company's Board of Directors on 18 May 2019.

#### 2.4 Particulars of investments in subsidiaries and associates as at 31 March 2019 are as under:

Name of the investee	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
<b>a) Subsidiaries</b>		
Marut Shakti Energy India Limited	India	100%
Sarayu Wind Power (Tallimadugula) Private Limited	India	100%
Satviki Energy Private Limited	India	100%
Vinirmaa Energy Generation Private Limited	India	100%
Sarayu Wind Power (Kondapuram) Private Limited	India	100%
RBRK Investments Limited	India	100%
Wind One Renergy Private Limited (Upto 29 November 2018)	India	100%
Wind Three Renergy Private Limited (Upto 29 November 2018)	India	100%
Flutter Wind Energy Private Limited	India	100%
Flurry Wind Energy Private Limited	India	100%
Tempest Wind Energy Private Limited	India	100%
Vuelta Wind Energy Private Limited	India	100%
Aliento Wind energy Private Limited	India	100%
Vasuprada Renewables Private Limited	India	100%
Suswind Power Private Limited	India	100%
Ripudaman Urja Private Limited	India	100%
Vibhav Energy Private Limited	India	100%
Vigodi Wind Energy Private Limited	India	100%
Haroda Wind Energy Private Limited	India	100%



## Inox Wind Infrastructure Services Limited

### Notes to the standalone financial statements for the year ended 31 March 2019

Khatiyu Wind Energy Private Limited (w.e.f. On 15 December 2018)	India	100%
Nani Virani Wind Energy Private Limited (w.e.f. On 15 December 2018)	India	100%
Ravapar Wind Energy Private Limited (w.e.f. On 15 December 2018)	India	100%
<b>b) Associates</b>		
Wind Two Renergy Private Limited	India	100%
Wind Four Renergy Private Limited	India	100%
Wind Five Renergy Private Limited	India	100%
Wind One Renergy Private Limited (w.e.f. 29 November 2018)	India	100%
Wind Three Renergy Private Limited (w.e.f. 29 November 2018)	India	100%
Nani Virani Wind Energy Private Limited (Upto 15 December 2018)	India	100%
Khatiyu Wind Energy Private Limited (Upto 15 December 2018)	India	100%
Ravapar Wind Energy Private Limited (Upto 15 December 2018)	India	100%

See Note 7 for subsidiaries incorporated during the year and subsequently accounted as 'associates' on cessation of control.

### 3. Significant Accounting Policies

#### 3.1 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- assets (or disposal Group) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain



**Notes to the standalone financial statements for the year ended 31 March 2019**

purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

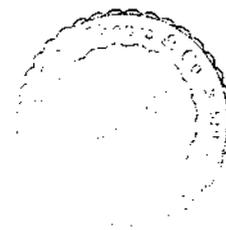
If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**3.2 Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 3.1 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-



**Notes to the standalone financial statements for the year ended 31 March 2019**

generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**3.3 Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.3 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. No impact of the adoption of the standard on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.
- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:  
Revenue from EPC is recognised on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised when the wind farm site is developed and transferred to the customers in terms of the respective contracts.
- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.



**Notes to the standalone financial statements for the year ended 31 March 2019**

- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

**Use of significant judgments in revenue recognition**

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

**3.3.1 Rendering of services**

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:



# **Inox Wind Infrastructure Services Limited**

## **Notes to the standalone financial statements for the year ended 31 March 2019**

Revenue from EPC is recognised on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

### **3.3.2 Other income**

Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

### **3.4 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The leasing transaction of the Company comprise of only operating leases.

#### **3.4.1 The Company as lessee**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessors expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### **3.5 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **3.6 Employee benefits**

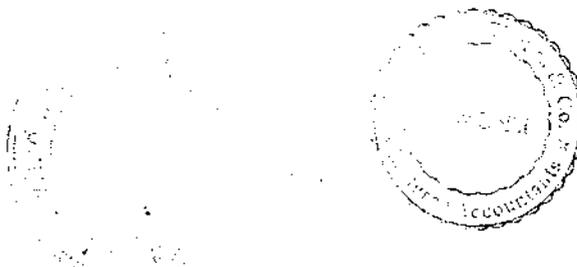
#### **3.6.1 Retirement benefit costs**

Recognition and measurement of defined contribution plans:

Payments to defined contribution benefit plan viz. government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Recognition and measurement of defined benefit plans:

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising



**Notes to the standalone financial statements for the year ended 31 March 2019**

actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### 3.6.2 Short-term and other long-term employee benefits.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave, bonus etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 3.7 Taxation

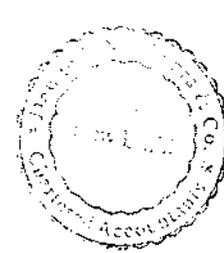
Income tax expense represents the sum of the tax currently payable and deferred tax.

#### 3.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years, items that are never taxable or deductible and tax incentives. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### 3.7.2 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 generally 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



## **Inox Wind Infrastructure Services Limited**

### **Notes to the standalone financial statements for the year ended 31 March 2019**

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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary differences can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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.

#### **3.7.3 Presentation of current and deferred tax :**

Current and deferred tax are recognised in profit or 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.

#### **3.8 Property, plant and equipment**

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative



## Inox Wind Infrastructure Services Limited

### Notes to the standalone financial statements for the year ended 31 March 2019

expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment in outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 3.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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## **Inox Wind Infrastructure Services Limited**

### **Notes to the standalone financial statements for the year ended 31 March 2019**

#### **Estimated useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follows:

- Software 6 years

#### **3.10 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### **3.11 Inventories**

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis.

Cost of inventories comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable overheads and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



## **Inox Wind Infrastructure Services Limited**

### **Notes to the standalone financial statements for the year ended 31 March 2019**

#### **3.12 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.

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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably, will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent period, such contingent liabilities are measured at the higher of the amounts that would be recognised in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 Revenue, if any.

#### **3.13 Financial instruments**

Financial assets and financial liabilities are recognised when the Company member becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

##### **A) Financial assets**

###### **a) Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

###### **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.



## Inox Wind Infrastructure Services Limited

### Notes to the standalone financial statements for the year ended 31 March 2019

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, trade receivables, loans, certain investments and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

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

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

The Company does not have any financial assets in this category.

#### 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. 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.



**Notes to the standalone financial statements for the year ended 31 March 2019**

**d) Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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 the 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.

**e) Impairment of financial assets:**

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

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.



**Notes to the standalone financial statements for the year ended 31 March 2019**

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'

**B) Financial liabilities and equity instruments**

Debt and equity instruments issued by the Company 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 the entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the entity'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. Compound financial instruments:-**

Compound financial instruments issued by the Company comprise of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder. The debentures will be converted into equity shares at the fair value on the date of conversion.

The fair value of the liability component of a compound financial instrument is determined using a market interest rate of a similar liability that does not have an equity conversion option. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to equity portion of the instrument net of derivatives if any. The equity component is recognised and included in shareholder's equity (net of deferred tax) and is not subsequently re-measured. The derivative component is recognized at fair value and subsequently carried at fair value through profit or loss.

Interest related to the financial liability is recognized in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.



## **Inox Wind Infrastructure Services Limited**

### **Notes to the standalone financial statements for the year ended 31 March 2019**

#### **iii. Financial Liabilities:-**

##### **a) Initial recognition and measurement :**

Financial liabilities are recognised when a Company member becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

##### **b) Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability as at FVTPL other than derivative instrument.

##### **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.

#### **3.14 Earnings Per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, except where the results would be anti-dilutive.

#### **3.15 Recent accounting pronouncements**

- a) On 30 March 2019, the ministry of Corporate Affairs has notified Ind AS 116, 'Lease'. Ind AS 116 will replace the existing lease standard Ind AS 17 Leases and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

#### **4 Critical accounting judgements and use of estimates**

In application of Company's accounting policies, which are described in Note 3, the Directors of the Company are required 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.



**Notes to the standalone financial statements for the year ended 31 March 2019**

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.

4.1 Following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**a) Useful lives of Property, Plant & Equipment (PPE) & intangible assets:**

The Company has adopted useful lives of PPE as described in Note 3.8 & 3.9 above. The Company reviews the estimated useful lives of PPE & intangible assets at the end of each reporting period.

**b) Fair value measurements and valuation processes**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Where necessary, the Company engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 37.

**c) Other assumptions and estimation uncertainties, included in respective notes are as under:**

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Company. Estimation of current tax expense and payable, recognition of deferred tax assets, availability of future taxable profits against which tax losses carried forward can be used, possibility of utilizing available tax credits – see Note 34
- Measurement of defined benefit obligations and other long-term employee benefits: key actuarial assumptions – see Note 38
- Assessment of the status of various legal cases/claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 43
- Impairment of financial assets – see Note 37



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**5 : Property, plant and equipment**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>Carrying amount of:</b>		
Freehold Land	726.09	675.22
Roads	1,351.87	1,421.97
Plant & equipment	45,310.52	47,380.96
Furniture and fixtures	154.92	175.73
Vehicles	1.88	2.22
Office equipments	30.75	39.99
<b>Total</b>	<b>47,576.03</b>	<b>49,696.09</b>

Note: Assets mortgaged/pledged as security for borrowings are as under:

Carrying amounts of:	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Freehold land	726.09	675.22
Buildings	1,351.87	1,421.97
Plant and equipment	45,310.52	47,380.96
Furniture and fixtures	154.92	175.73
Vehicles	1.88	2.22
Office equipment	30.75	39.99
Capital Work-in progress	-	-
<b>Total</b>	<b>47,576.03</b>	<b>49,696.09</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**5A : Property , plant and equipment**

(Rs. in Lakhs)

Particulars	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Cost or deemed cost:</b>							
Balance as at 1 April 2017	675.22	1,103.93	26,209.32	106.46	2.18	118.65	28,215.76
Additions	-	940.43	23,360.79	97.86	0.66	8.43	24,408.17
Borrowing cost capitalised	-	-	113.90	-	-	-	113.90
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>675.22</b>	<b>2,044.36</b>	<b>49,684.01</b>	<b>204.32</b>	<b>2.84</b>	<b>127.08</b>	<b>52,737.83</b>
Additions	50.87	519.32	-	1.35	-	15.87	587.41
Borrowing cost capitalised	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>726.09</b>	<b>2,563.68</b>	<b>49,684.01</b>	<b>205.67</b>	<b>2.84</b>	<b>142.95</b>	<b>53,325.24</b>

<b>Accumulated Depreciation:</b>							
Balance as at 1 April 2017	-	301.62	1,017.29	14.30	0.35	55.16	1,388.72
Eliminated on disposal of asset	-	-	-	-	-	-	-
Depreciation for the year	-	320.77	1,285.76	14.29	0.27	31.93	1,653.02
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>622.39</b>	<b>2,303.05</b>	<b>28.59</b>	<b>0.62</b>	<b>87.09</b>	<b>3,041.74</b>
Depreciation for the year	-	589.42	2,070.44	22.16	0.34	25.11	2,707.47
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>1,211.81</b>	<b>4,373.49</b>	<b>50.75</b>	<b>0.96</b>	<b>112.20</b>	<b>5,749.21</b>

Net carrying amount	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31 March 2018	675.22	1,421.97	47,380.96	175.73	2.22	39.99	49,696.09
As at 31 March 2019	726.09	1,351.87	45,310.52	154.92	1.88	30.75	47,576.03



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**6 : Intangible assets**

Particulars	As at 31 March 2019	(Rs. in Lakhs)
		As at 31 March 2018
<i>Carrying amounts of:</i>		
Software	9.93	16.21

**Details of Intangible Assets**

Particulars	Software	Total
<b>Cost or Deemed Cost</b>		
Balance as at 1 April 2017	39.37	39.37
Additions	-	-
Balance as at 31 March 2018	39.37	39.37
Additions	1.44	1.44
Balance as at 31 March 2019	40.81	40.81

<b>Accumulated amortisation</b>		
Balance as at 1 April 2017	15.39	15.39
Amortisation expense for the year	7.77	7.77
Balance as at 31 March 2018	23.16	23.16
Amortisation expense for the year	7.72	7.72
Balance as at 31 March 2019	30.88	30.88

Net carrying amount	Software	Total
As at 31 March 2018	16.21	16.21
As at 31 March 2019	9.93	9.93



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

(Rs. in Lakhs)

Particulars	As at	As at	As at	As at
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	Nos.	Nos.	Amount	Amount
<b>7 : Investments</b>				
<b>7a. Investment in subsidiaries (at cost)</b>				
<b>Non-current</b>				
<b>-Investments in equity instruments (unquoted)</b>				
<b>- in fully paid-up equity shares of Rs. 10 each</b>				
Marut Shakti Energy India Ltd.	611070	611070	191.01	191.01
Sarayu Wind Power (Tallimadugula) Pvt. Ltd.	10000	10000	283.19	283.19
Satviki Energy Pvt. Ltd.	835000	835000	77.00	77.00
Vinirmaa Energy Generation Pvt. Ltd.	50000	50000	916.21	916.21
Sarayu Wind Power (Kondapuram) Pvt. Ltd.	10000	10000	940.67	940.67
RBRK Investments Ltd.	70000	70000	268.30	268.30
Wind One Renergy Pvt. Ltd (upto 29.11.2018)**		10000	-	1.00
Wind Three Renergy Pvt. Ltd.(upto 29.11.2018)**		10000	-	1.00
Vasuprada Renewables Pvt. Ltd.	10000	10000	1.00	1.00
Suswind Power Pvt. Ltd.	10000	10000	1.00	1.00
Ripudaman Urja Pvt. Ltd.	10000	10000	1.00	1.00
Vibhav Energy Pvt. Ltd.	10000	10000	1.00	1.00
Haroda Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Vigodi Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Aliento Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Tempest Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Flurry Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Vuelta Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Flutter Wind Energy Pvt. Ltd.	10000	10000	1.00	1.00
Nani Virani Wind Energy Pvt. Ltd. (w.e.f. 15.12.2018)*	10000		1.00	-
Ravapar Wind Energy Pvt. Ltd. (w.e.f. 15.12.2018)*	10000		1.00	-
Khatiyu Wind Energy Pvt. Ltd. (w.e.f. 15.12.2018)*	10000		1.00	-
Sri Pavan Energy Pvt.	51000	-	5.10	-
			<u>2,695.48</u>	<u>2,689.38</u>
Less: Provision for dimunition in value of investment			<u>(1,658.71)</u>	<u>(1,658.71)</u>
			<u>1,036.77</u>	<u>1,030.67</u>
<b>7b. Investment in associates (trade investment)</b>				
Wind Two Renergy Pvt. Ltd.	32510000	10000	3,251.00	1.00
Wind Four Renergy Pvt. Ltd.	18510000	10000	1,851.00	1.00
Wind Five Renergy Pvt. Ltd.	18510000	10000	1,851.00	1.00
Wind One Renergy Pvt. Ltd. (w.e.f. 29.11.2018)**	10000	-	1.00	-
Wind Three Renergy Pvt. Ltd. (w.e.f. 29.11.2018)**	10000	-	1.00	-
Nani Virani Wind Energy Pvt. Ltd. (upto 15.12.2018)*	-	10000	-	1.00
Ravapar Wind Energy Pvt. Ltd. (upto 15.12.2018)*	-	10000	-	1.00
Khatiyu Wind Energy Pvt. Ltd. (upto 15.12.2018)*	-	10000	-	1.00
			<u>6,955.00</u>	<u>6.00</u>

\*During the year, the Company has cancelled various binding agreements (including call & put option agreement and voting rights agreement) with a party. Due to cancellation of the binding agreements, it is assessed that the Company has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the Company has accounted for investment in such companies as investment in 'subsidiary' from the date of gaining control.

\*\*During the year, the Company has entered into various binding agreements (including call & put option agreement and voting rights agreement) with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that the Company has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the Company has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>7c) Financial assets carried at FVTPL</b>		
<b>Investments in mutual funds (unquoted, fully paid up)</b> (face value Rs. 10 each)		
35,952.883 units (31 March 2018: Nil ) of ABSL Saving Fund - Growth Direct	133.66	-
<b>Total (c)</b>	<u>133.66</u>	<u>-</u>
<b>Total other investments</b>	<u>8,125.43</u>	<u>1,036.67</u>
Aggregate carrying value of unquoted investments	8,125.43	1,036.67
Aggregate amount of dimunition in value of investments	1,658.71	1,658.71
<b>Category-wise other investments – as per Ind AS 109 classification</b>		
Carried at cost	7,991.77	1,036.67
Carried at FVTPL	133.66	-
	<u>8,125.43</u>	<u>1,036.67</u>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>8 : Loans</b>		
(Unsecured, considered good, unless otherwise stated)		
<b><u>Non-current</u></b>		
Security deposits	1,192.83	1,266.50
<b>Total Non-current loans</b>	<b>1,192.83</b>	<b>1,266.50</b>
<b><u>Current</u></b>		
<b>Loans to related parties (See Note 39)</b>		
-Inter-corporate deposits to related parties		
Considered good	2,636.55	6,270.84
Considered doubtful	3,744.28	1,996.60
	<u>6,380.83</u>	<u>8,267.44</u>
Less: Provision for doubtful inter-corporate deposit	(3,744.28)	(1,996.60)
<b>Total</b>	<b>2,636.55</b>	<b>6,270.84</b>
<b>9 : Other financial assets</b>		
<b><u>Non-current</u></b>		
Non-current bank balances (from Note 16)	100.00	257.38
Unbilled revenue (See note below)	30,638.36	24,887.46
Others	235.62	81.75
<b>Total</b>	<b>30,973.98</b>	<b>25,226.59</b>
<b><u>Current</u></b>		
Unbilled revenue (See note below)	6,740.89	4,028.92
Insurance claims	63.02	-
<b>Total</b>	<b>6,803.91</b>	<b>4,028.92</b>

Note: Unbilled revenue is classified as financial asset as right to consideration is unconditional upon passage of time.



**Inox Wind Infrastructure Services Limited**

Notes to the standalone financial statements for the year ended 31 March 2019

**10. Deferred tax balances**

Year ended 31 March 2019

Deferred tax (liabilities)/assets in relation to:

(Rs. in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(0.93)	948.80	-	-	947.87
Straight lining of O & M revenue	(10,085.29)	(2,648.95)	-	-	(12,734.24)
Allowance for expected credit losses	49.00	37.32	-	-	86.32
Defined benefit obligations	107.79	(0.99)	(30.99)	-	75.81
Business loss	8,742.65	4,420.32	-	-	13,162.97
Equity component of Compound financial instrument	(1,741.34)	(16.91)	-	-	(1,758.25)
Other deferred tax assets	747.99	-	-	-	747.99
Other deferred tax liabilities	(68.03)	439.54	-	-	371.51
	(2,248.16)	3,179.13	(30.99)	-	899.98
MAT credit entitlement	2,320.05	-	-	-	2,320.05
<b>Total</b>	<b>71.89</b>	<b>3,179.13</b>	<b>(30.99)</b>	<b>-</b>	<b>3,220.03</b>

Year ended 31 March 2018

Deferred tax (liabilities)/assets in relation to:

(Rs. in Lakhs)

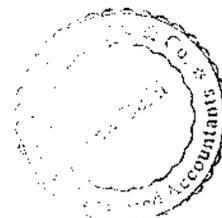
Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(503.13)	502.20	-	-	(0.93)
Straight lining of O & M revenue	(5,978.16)	(4,107.13)	-	-	(10,085.29)
Allowance for expected credit losses	47.53	1.47	-	-	49.00
Defined benefit obligations	108.82	27.82	(28.85)	-	107.79
Business loss	3,409.24	5,333.41	-	-	8,742.65
Equity component of Compound financial instrument	(1,741.34)	-	-	-	(1,741.34)
Other deferred tax assets	61.95	686.04	-	-	747.99
Other deferred tax liabilities	-	(68.03)	-	-	(68.03)
	(4,595.09)	2,375.78	(28.85)	-	(2,248.16)
MAT credit entitlement	2,320.05	-	-	-	2,320.05
<b>Total</b>	<b>(2,275.04)</b>	<b>2,375.78</b>	<b>(28.85)</b>	<b>-</b>	<b>71.89</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>11: Income tax assets (net)</b>		
<b><u>Non-current</u></b>		
Income tax paid (net of provisions)	1,464.64	1,654.37
<b>Total</b>	<b>1,464.64</b>	<b>1,654.37</b>
<b>12 : Other assets</b>		
<b><u>Non-current</u></b>		
Capital advances	1,638.64	246.09
Balances with government authorities - Balances in service tax , VAT & GST accounts	567.34	763.57
<b>Total</b>	<b>2,205.98</b>	<b>1,009.66</b>
<b><u>Current</u></b>		
Advance to suppliers	13,548.36	7,602.54
Balances with government authorities - Balances in Service tax , VAT & GST accounts	4,092.12	1,039.24
Prepayments - others	1,063.57	741.46
<b>Total</b>	<b>18,704.05</b>	<b>9,383.24</b>
<b>13: Inventories</b> (at lower of cost and net realisable value)		
Construction materials	16,994.94	9,883.66
Project development, erection & commissioning work-in-progress	20,729.12	14,550.06
Common infrastructure facilities work-in-progress	382.40	382.40
<b>Total</b>	<b>38,106.46</b>	<b>24,816.12</b>
<b>14 : Trade receivables</b> (Unsecured)		
<b><u>Current</u></b>		
Considered good- Unsecured	19,553.36	24,699.52
Less: Allowance for expected credit losses	(247.03)	(140.22)
<b>Total</b>	<b>19,306.33</b>	<b>24,559.30</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

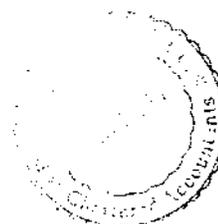
Notes to the standalone financial statements for the year ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>15: Cash and cash equivalents</b>		
Balances with banks		
in Current accounts	25.38	171.28
in Cash credit accounts	0.69	5.70
Cash on hand	3.64	1.35
<b>Total</b>	<b>29.71</b>	<b>178.33</b>
<b>16: Other bank balances</b>		
Fixed deposits with original maturity period of more than 3 months but less than 12 months*	19.87	1,868.31
Fixed deposit with original maturity for more than 12 months*	522.45	557.46
	<b>542.32</b>	<b>2,425.77</b>
Less: Amount disclosed under Note 9 - 'Other financial assets-Non current'	100.00	257.38
<b>Total</b>	<b>442.32</b>	<b>2,168.39</b>

**Notes:**

\*Other bank balances include margin money deposits kept as security against bank guarantees as under:

a) Fixed deposits with original maturity for more than 3 months but less than 12 months	19.87	1,868.31
b) Fixed deposits with original maturity for more than 12 months	522.45	557.46



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

17: Equity share capital	(Rs. in Lakhs)	
	As at	As at
	31 March 2019	31 March 2018
<b>Authorised capital</b>		
6,00,00,000 (31 March 2018: 50,000) equity shares of Rs. 10 each*	6,000.00	5.00
<b>Issued, subscribed and paid up</b>		
5,73,89,450 (31 March 2018: 50,000) equity shares of Rs. 10 each	5,738.95	5.00
	<b>5,738.95</b>	<b>5.00</b>

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
<b>Equity share capital</b>				
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares issued during the year*	5,73,39,450	5,733.95	-	-
<b>Shares outstanding at the end of the year</b>	<b>5,73,89,450</b>	<b>5,738.95</b>	<b>50,000</b>	<b>5.00</b>

\* MCA filing under the applicable provisions of Companies Act 2013 related to increase in authorised share capital and fresh issue capital are under process.

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

The Company has only one class of equity shares having par value of Rs. 10 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**

	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
Inox Wind Limited(*)	5,73,89,450	5,738.95	50,000	5.00

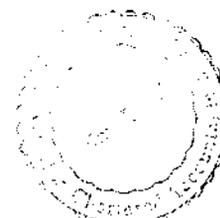
**(d) Details of shares held by each shareholder holding more than 5% shares:**

	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Inox Wind Limited(*)	5,73,89,450	100%	50,000	100%

(\*) Including shares held through nominee shareholders.

**(e) For the terms of debentures convertible into equity shares and the earliest date of conversion, See Note 19**
**(f) Allotment of Equity Shares by way of Conversion**

During the year, the company has converted its 1st tranche of debentures amounting to Rs. 10,000.00 lakhs into equity at a share price of Rs. 17.44/-



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

	<u>As at</u> <u>31 March 2019</u>	<u>(Rs. in Lakhs)</u> <u>As at</u> <u>31 March 2018</u>
<b>18: Other equity</b>		
Debenture redemption reserve	1,800.00	1,800.00
Security Premium	4,214.98	
Retained earnings	(11,330.45)	(5,669.23)
<b>Total</b>	<u>(5,315.47)</u>	<u>(3,869.23)</u>
<b>18 (i) Debenture redemption reserve</b>		
Balance at beginning of the year	1,800.00	1,800.00
Transfer from retained earnings	-	-
<b>Balance at the end of the year</b>	<u>1,800.00</u>	<u>1,800.00</u>

The Company has issued redeemable non-convertible debentures. Accordingly, as required by the Companies (Share Capital and Debentures) Rules, 2014 (as amended), Debenture Redemption Reserve (DRR) is created out of profits available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and will be reclassified to retained earnings on redemption of debentures.

**18 (ii) Retained earnings:**

Balance at beginning of year	(5,669.23)	67.00
Profit/(loss) for the year	(5,718.93)	(5,789.93)
Other comprehensive income for the year, net of income tax	57.71	53.70
Transfer to Debenture redemption reserve	-	-
<b>Balance at the end of the year</b>	<u>(11,330.45)</u>	<u>(5,669.23)</u>

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013 and also subject to levy of dividend distribution tax, if any. Thus, the amounts reported above may not be distributable in entirety.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**19: Terms of repayment and securities etc.****a) Debentures (secured):-**

i) 3000 non convertible redeemable debentures of Rs. 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9% p.a. payable semi annually. The maturity pattern of the debentures is as under:

<u>Month</u>	<u>(Rs. in Lakhs)</u>
	<u>Principal</u>
Sep-19	5,000.00
Mar-20	5,000.00
Sep-20	5,000.00
	<u>15,000.00</u>

The above debentures are secured by first ranking exclusive charge by way of hypothecation of fixed assets and certain immovable assets of the Company and unconditional and irrevocable guarantee by Gujarat Fluorochemicals Limited.

**b) Rupee term loan from Axis Finance Ltd:-**

Rupee term loan is secured by first charge of lien of FMP/other select debt mutual funds acceptable to Axis finance provided by Gujarat Fluorochemicals Limited and carries interest @ 8.5% p.a. Principal repayment pattern of the loan is as under:

<u>Month</u>	<u>(Rs. in Lakhs)</u>
	<u>Principal</u>
Aug-20	5,056.16
	<u>5,056.16</u>

**c) Rupee term loan from Yes Bank Ltd:-**

Rupee term loan taken from Yes Bank Ltd is secured by unconditional and irrevocable corporate guarantee from Gujarat fluorochemicals Limited and second charge on existing and future movable fixed assets of the company and carries interest @ 9.60% p.a. Principal repayment pattern of the loan is as under:

<u>Month</u>	<u>(Rs. in Lakhs)</u>
	<u>Principal</u>
Jul-19	500.00
Jan-20	2,000.00
Jul-20	2,000.00
Jan-21	2,500.00
Jul-21	2,500.00
	<u>9,500.00</u>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**19: Terms of repayment and securities etc.****d) Rupee term loan from Aditya Birla Finance Ltd:-**

Rupee term loan is taken from Aditya Birla Finance Ltd is secured by second pari passu charges on the current assets, cash flows and receivables both present & Future of the company and carries interest @ 10.25% p.a. Principal repayment pattern of the loan is as under:

Month	(Rs. in Lakhs)
	Principal
Apr-19	148.73
Jul-19	300.00
Oct-19	300.00
Jan-20	300.00
Apr-20	300.00
Jul-20	550.00
Oct-20	550.00
Jan-21	550.00
Apr-21	550.00
Jul-21	700.00
Oct-21	700.00
Jan-22	700.00
Apr-22	700.00
Jul-22	800.00
Oct-22	800.00
Jan-23	800.00
Apr-23	800.00
Jul-23	400.00
<b>Total</b>	<b>9,948.73</b>

**e) Debentures (unsecured) :-**

The debentures of Rs. 1,000 each, fully paid up, are issued to the holding company, at par, and carry interest @ 4% p.a. The entire amount of debentures is convertible into fully paid up equity shares of Rs. 10 each at the option of the debenture holder, at the end of the term of the respective debentures. The equity shares will be issued at the price as per the valuation report to be obtained at each conversion date. If not converted, the debentures are redeemable at par. The maturity pattern of the debentures is as under:

Debenture Series	Date of allotment	Maturity Period	Number of Debentures	Amount (Rs. in Lakh)
Series E	17th Nov.2015	7 years	10,00,000	10,000.00
Series D	5th Nov.2015	6 years	10,00,000	10,000.00
Series C	3rd Nov.2015	5 years	10,00,000	10,000.00
Series B	29th Oct.2015	4 years	10,00,000	10,000.00
<b>Total</b>			<b>40,00,000</b>	<b>40,000.00</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**19: Terms of repayment and securities etc.**

The optionally convertible debentures are presented in the balance sheet as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Face value of debentures issued	40,000.00	50,000.00
Less: Equity component of optionally convertible debentures	5,031.62	5,031.62
	34,968.38	44,968.38
Less: Derivative portion	1,517.12	2,651.24
	33,451.26	42,317.14
Add: Effect of unwinding cost, gain/loss on derivative portion and interest paid	3,766.48	2,566.87
	37,217.74	44,884.01
Equity component of optionally convertible debentures	5,031.62	5,031.62

\* The equity component of optionally convertible debentures has been presented on the face of the balance sheet net of deferred tax of Rs. 1741.34 Lakhs.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>20: Non current borrowings</b>		
<b>Secured loans</b>		
<b>a) Debentures</b>		
Redeemable non convertible debentures	15,858.59	26,084.09
<b>Unsecured loans</b>		
<b>a) Debentures</b>		
Optionally convertible debentures - Liability portion of compound financial instrument	37,217.74	44,884.01
<b>b) Rupee term loans</b>		
From Financial Institution	24,475.91	10,209.80
<b>Total</b>	<b>77,552.24</b>	<b>81,177.90</b>
Less: Disclosed under Note No. 21: Other current financial liabilities -		
- Current maturities of non-current borrowings	(23,811.21)	(24,889.41)
- Interest accrued	(1,112.50)	(1,432.43)
	<b>(24,923.71)</b>	<b>(26,321.84)</b>
<b>Total</b>	<b>52,628.53</b>	<b>54,856.06</b>
Note: for terms of repayment and securities etc. See Note 19		
<b>21: Other financial liabilities</b>		
<b><u>Non-current</u></b>		
Derivative financial liabilities	1,517.12	2,651.24
<b>Total</b>	<b>1,517.12</b>	<b>2,651.24</b>
<b><u>Current</u></b>		
Current maturities of non-current borrowings (See Note 20)	23,811.21	24,889.41
Interest accrued	2,919.48	1,702.25
Creditors for capital expenditure	1,982.83	3,957.70
Consideration payable for business combinations	1,197.46	1,248.00
Employee dues payables	616.24	659.22
<b>Total</b>	<b>30,527.22</b>	<b>32,456.58</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

Particulars	(Rs. In Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>22: Provisions</b>		
<b><u>Non-current</u></b>		
Provision for employee benefits (See Note 38)		
Gratuity	121.33	143.82
Compensated absences	53.86	89.08
<b>Total</b>	<b>175.19</b>	<b>232.90</b>
<b><u>Current</u></b>		
Provision for employee benefits (See Note 38)		
Gratuity	3.72	7.16
Compensated absences	38.02	68.41
<b>Total</b>	<b>41.74</b>	<b>75.57</b>
<b>23: Other Liabilities</b>		
<b><u>Non-current</u></b>		
Income received in advance	10,252.11	6,157.05
<b>Total</b>	<b>10,252.11</b>	<b>6,157.05</b>
<b><u>Current</u></b>		
Advances received from customers	9,683.93	4,051.30
Income received in advance	1,219.92	1,093.80
Statutory dues and taxes payable	1,335.92	944.66
<b>Total</b>	<b>12,239.77</b>	<b>6,089.76</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the standalone financial statements for the year ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>24: Current borrowings</b>		
<b>Unsecured borrowings</b>		
From banks		
- Cash Credit (*)	4,878.44	-
From related parties		
- Inter-corporate deposits from holding company(**)	33,581.38	16,145.96
	<u>38,459.82</u>	<u>16,145.96</u>
Less: Disclosed under Note No. 21: Other current financial liabilities -		
- Interest accrued	(1,806.98)	(269.82)
	<u>(1,806.98)</u>	<u>(269.82)</u>
<b>Total</b>	<u><u>36,652.84</u></u>	<u><u>15,876.14</u></u>

**Terms of repayment**

\* Cash credit taken from yes bank carries interest @ MCLR plus 0.35% against corporate guarantee of Gujarat Fluorochemical Limited.

\*\*Inter-corporate deposit from holding company is unsecured, repayable on demand and carries interest @ 12.00% p.a.

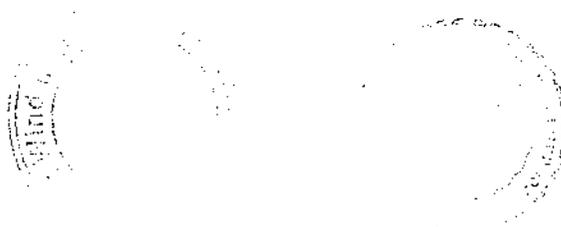
**25: Trade payables**

- Dues to micro and small enterprises	61.65	69.26
- Dues to others	38,337.73	34,538.83
<b>Total</b>	<u><u>38,399.38</u></u>	<u><u>34,608.09</u></u>

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

Particulars	2018-19	2017-18
Principal amount due to suppliers under MSMED Act at the year end	61.65	69.26
Interest accrued and due to suppliers under MSMED Act above amount, unpaid at the year end	40.19	11.04
Payment made to suppliers (other than interest) beyond the appointed date during the year end	103.46	430.87
Interest paid to supplier under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	13.04	9.13
Interest accrued and not paid to suppliers under MSMED Act up to the year end	131.00	77.77

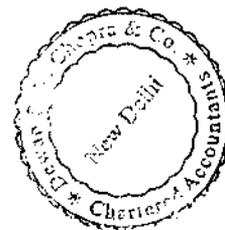
**Note:** The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

	(Rs. in Lakhs)	
Particulars	2018-19	2017-2018
<b>26: Revenue from Operations</b>		
Sale of services	21,465.77	32,838.81
Other operating revenue	54.98	3,833.57
	<u>21,520.75</u>	<u>36,672.38</u>
<b>27: Other Income</b>		
<b>a) Interest income</b>		
<b>Interest income calculated using the effective interest method:</b>		
On fixed deposits with banks	85.41	83.32
On Inter-corporate deposits	703.53	624.98
<b>Other interest income</b>		
On Income tax refunds	111.11	-
	<u>900.05</u>	<u>708.30</u>
<b>c) Gain on investment carried at FVTPL</b>		
Gain on fair valuation of investment in Mutual Fund	6.66	-
<b>d) Other non operating income</b>		
Insurance claims	-	34.96
<b>Total</b>	<u>906.71</u>	<u>743.26</u>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

	(Rs. in Lakhs)	
Particulars	2018-19	2017-2018
<b>28: EPC, O&amp;M and Common infrastructure facility expenses</b>		
Construction material consumed	1,359.56	544.80
Cost of booster packages	-	3,642.86
Equipments & machinery hire charges	4,286.49	2,678.51
Subcontractor cost	5,036.22	6,179.96
Cost of lands	376.25	1,965.41
O&M repairs	2,188.13	3,300.93
Legal & professional fees & expenses	337.38	429.90
Stores and spares consumed	125.82	364.15
Rates & taxes and regulatory fees	442.87	129.46
Rent	366.46	346.08
Labour charges	121.25	131.98
Insurance	548.15	416.63
Security charges	1,300.46	1,581.32
Travelling & conveyance	1,771.51	1,878.50
Miscellaneous expenses	294.21	93.59
<b>Total</b>	<b>18,554.76</b>	<b>23,684.08</b>
<b>29: Changes in inventories of work in progress</b>		
Work-in-progress at the beginning of the year		
Project Development, erection & commissioning work	14,550.06	20,212.36
Common infrastructure facilities	382.40	382.40
	<u>14,932.46</u>	<u>20,594.76</u>
Work-in-progress at the end of the year		
Project Development, erection & commissioning work	20,729.12	14,550.06
Common infrastructure facilities	382.41	382.40
	<u>21,111.53</u>	<u>14,932.46</u>
(Increase)/Decrease in work-in-progress	<u>(6,179.07)</u>	<u>5,662.30</u>
<b>30: Employee benefits expense</b>		
Salaries and wages	2,466.48	2,861.41
Contribution to provident and other funds	93.09	105.05
Gratuity	75.40	95.53
Staff welfare expenses	428.63	499.94
	<u>3,063.60</u>	<u>3,561.93</u>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

	(Rs. in Lakhs)	
Particulars	2018-19	2017-2018
<b>31: Finance costs</b>		
<b>a) Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	6,780.79	4,202.01
<b>b) Other interest cost</b>		
Interest on delay payment of Taxes	51.04	51.11
<b>c) Other borrowing costs</b>		
Bank Guarantee Charges	445.05	320.22
Corporate guarantee Charges	433.82	-
<b>d) Unwinding cost of compound financial instrument</b>	2,333.73	1,997.17
	<u>10,044.43</u>	<u>6,570.51</u>
Less: Interest capitalized	45.90	71.28
<b>Total</b>	<u>9,998.53</u>	<u>6,499.23</u>
The capitalisation rate of funds borrowed is 12% p.a. (previous year 12% p.a.)		
<b>32: Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	2,707.38	1,653.02
Amortisation of intangible assets	7.81	7.77
<b>Total</b>	<u>2,715.19</u>	<u>1,660.79</u>
<b>33: Other Expenses</b>		
Rent	31.72	27.89
Legal and professional fees and expenses	127.85	166.92
Directors' sitting fees	7.40	6.40
Allowance for expected credit losses	106.81	2.89
Sales commission	-	10.47
Liquidated damages	125.96	924.81
Net loss on derivative portion of compound financial instrument	694.92	1,573.16
Miscellaneous expenses	330.17	703.15
<b>Total</b>	<u>1,424.83</u>	<u>3,415.69</u>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**34. Income tax recognised in Statement of Profit and Loss**

Particulars	(Rs. in Lakhs)	
	2018-19	2017-18
<b>Current tax</b>		
In respect of the current year	-	-
Minimum Alternate Tax (MAT) credit	-	-
	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
In respect of the current year	(3,179.13)	(2,365.62)
Taxation pertaining to earlier years	-	(10.15)
	<u>(3,179.13)</u>	<u>(2,375.77)</u>
<b>Total income tax expense recognised in the current year</b>	<u><b>(3,179.13)</b></u>	<u><b>(2,375.77)</b></u>

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

Particulars	Rs. in Lakhs	
	2018-19	2017-18
Profit before tax	(8,986.76)	(8,165.70)
Income tax expense calculated at 34.944% (2017-2018: 34.608%)	(3,140.33)	(2,825.99)
Effect of expenses that are not deductible in determining taxable profit	(38.80)	439.03
Effect on deferred tax balances due to the change in income tax rate from 34.608% to 34.944% (previous year - from 33.063% to 34.608%)	-	21.34
Taxation pertaining to earlier years	-	(10.15)
Income tax expense recognised in statement of profit and loss	<u>(3,179.13)</u>	<u>(2,375.77)</u>

The tax rate used for the years ended 31 March 2019 and 31 March 2018 in reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**35. Earnings per share**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b><u>Basic earning/(loss) per share</u></b>		
Profit/(loss) for the year (Rs. in Lakhs)	(5,718.93)	(5,789.93)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos)	2,45,56,724	50,000
Nominal value of each share (in Rs.)	10.00	10.00
Basic earnings/(loss) per share (Rs.)	(23.29)	(11,579.86)
<b><u>Diluted earning/(loss) per share</u></b>		
Profit/(loss) for the year (Rs. in Lakhs)	(5,718.93)	(5,789.93)
Add: Expenses on debentures	1,518.23	1,997.17
Adjusted Profit/(loss) for diluted EPS	(4,200.70)	(3,792.76)
Weighted average number of equity shares- (Nos.)	28,67,47,250	43,48,32,609
Nominal value of each share (in Rs.)	10.00	10.00
Diluted earnings/(loss) per share (Rs.)	(23.29)	(11,579.86)

Note: The anti-dilutive effect for the year ended 31 March 2019 & 31 March 2018 is ignored.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**36. Capital Management**

For the purpose of the Company's capital Management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company's capital Management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

The gearing ratio at the end of the reporting period was as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Non-current borrowings	52,628.53	54,856.06
Current maturities of long term debt	23,811.21	24,889.41
Current borrowings	36,652.84	15,876.14
Interest accrued but not due on borrowings		
Interest accrued and due on borrowings	2,919.48	1,702.25
Total debt	1,16,012.06	97,323.86
Less: Cash and bank balances (excluding bank deposits kept as lien)	29.71	178.33
<b>Net debt</b>	<b>1,15,982.35</b>	<b>97,145.53</b>
Total Equity	3,713.76	(573.95)
<b>Net debt to equity ratio</b>	<b>3123.04%</b>	<b>NA</b>

In order to achieve this overall objective, the Company's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**37. Financial Instrument****(i) Categories of financial instruments****(Rs. in Lakhs)**

	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
<b>(a) Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	572.03	2,604.10
(b) Trade receivables	19,306.33	24,559.30
(c) Loans	3,829.38	7,537.34
(d) Investments	-	-
(e) Other financial assets	37,677.89	28,998.13
<b>Sub total</b>	<b>61,385.63</b>	<b>63,698.87</b>
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Investment in mutual funds	133.66	-
<b>Sub total</b>	<b>133.66</b>	<b>-</b>
<b>Total Financial Assets</b>	<b>61,519.29</b>	<b>63,698.87</b>
<b>(b) Financial liabilities</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
Other non current derivative financial liabilities	1,517.12	2,651.24
<b>Measured at amortised cost</b>		
(a) Borrowings	1,16,012.06	97,323.86
(b) Trade payables	38,399.38	34,608.09
(c) Other financial liabilities	3,796.53	5,864.92
	<b>1,58,207.97</b>	<b>1,37,796.87</b>
<b>Total</b>	<b>1,59,725.09</b>	<b>1,40,448.11</b>

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

**(ii) Financial risk management**

The Company's principal financial liabilities comprise of borrowings from its holding company, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes trade and other receivables, cash and bank balances, derived directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

**(iii) Market Risk**

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. The Company does not have any foreign currency exposure and hence is not subject to foreign currency risks. Further, the Company does not have any investments other than strategic investments in subsidiaries and hence is not subject to other price risks.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**37. Financial Instrument****(iv) Interest rate risk management**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

**Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2019 would decrease/increase by INR 59.16 Lakhs net of tax. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(v) Other price risks**

The Company is exposed to equity price risks arising from equity investments, other than investments in subsidiaries and associates which are held for strategic rather than trading purposes. The Company does not actively trade these investments. Hence the Company's exposure to equity price risk is minimal.

**(vi) Credit risk management**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables.

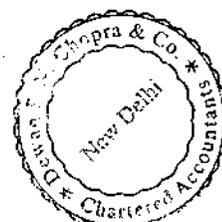
**a) Trade receivables**

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company is providing O&M services and is having long term contracts with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March, 2019 is Rs. 8768.64 lakhs (as at 31 March, 2018 of Rs. 16,652.03 lakhs) are due from 5 major customers who are reputed parties. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit losses (%)	
	2018-19	2017-18
0-180 days	0.10%	NIL
181-365 days	0.50%	0.50%
Above 365 days	1.50%	1.50%

Age of receivables	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Particulars		
0-180 days	2,439.58	11,319.35
181-365 days	986.13	6,048.51
Above 365 days	16,127.64	7,331.66
Gross trade receivables	19,553.35	24,699.52



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**37. Financial Instrument****Movement in the expected credit loss allowance :**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Balance at beginning of the year	140.22	137.33
Movement in expected credit loss allowance	106.81	2.89
Balance at end of the year	247.03	140.22

**b) Loans and Other Receivables**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Company to the external parties. 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 Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

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.

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 income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

**c) Other financial assets**

Credit risk arising from other balances with banks is limited because the counterparties are banks. There is no collateral held against such investments.

**(vii) Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company and its holding company, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**37. Financial Instrument****(vii) Liquidity risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**a) Non-Derivative Financial Liabilities**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2019:

Particulars	(Rs. in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2019</b>				
Borrowings	60,464.05	52,628.53	-	1,13,092.58
Trade payables	38,399.38	-	-	38,399.38
Other financial liabilities	6,716.01	-	-	6,716.01
Derivative financial liabilities	-	1,517.12	-	1,517.12
<b>Total</b>	<b>1,05,579.44</b>	<b>54,145.65</b>	<b>-</b>	<b>1,59,725.09</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

Particulars	(Rs. in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2018</b>				
Borrowings	40,765.55	54,856.06	-	95,621.61
Trade payables	34,608.09	-	-	34,608.09
Other financial liabilities	7,567.17	-	-	7,567.17
Derivative financial liabilities	-	2,651.24	-	2,651.24
<b>Total</b>	<b>82,940.81</b>	<b>57,507.30</b>	<b>-</b>	<b>1,40,448.11</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**37. Financial Instrument**

(ix) Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

Financial assets/(Financial liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2019	31 March 2018				
(a) Optionally convertible debentures (See Note 21)	(1,517.12)	(2,651.24)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	NA	NA
(b) Investment in Mutual Fund (see note 7C)	133.66	-	Level 2	The use of net asset value (NAV) for the mutual fund on the basis of the statement received from the investee party.	NA	NA

During the period, there were no transfers between Level 1 and level 2

(ix) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**38. Employee benefits:****(a) Defined Contribution Plans**

The Company contributes to the Government managed provident and pension fund for all qualifying employees.

Contribution to provident fund of Rs 92.90 Lakhs (previous year Rs 104.87 Lakhs) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.

**(b) Defined Benefit Plans:**

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2019 by Mr.G. N. Agarwal, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Movement in the present value of the defined benefit obligation are as follows :	(Rs. in Lakhs)	
	Gratuity	
Particulars	31 March 2019	31 March 2018
Opening defined benefit obligation	150.98	141.05
Interest cost	10.89	9.33
Current service cost	64.52	86.20
Benefits paid	(12.64)	(3.05)
Actuarial (gain) / loss on obligations	(88.70)	(82.55)
<b>Present value of obligation as at the year end</b>	<b>125.05</b>	<b>150.98</b>

Components of amounts recognised in profit or loss and other comprehensive income are as under:

Gratuity	(Rs. in Lakhs)	
	31 March 2019	31 March 2018
Current service cost	64.52	86.20
Interest cost	10.89	9.33
<b>Amount recognised in profit or loss</b>	<b>75.41</b>	<b>95.53</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	(1.27)	(16.29)
b) arising from experience adjustments	(87.43)	(66.26)
<b>Amount recognised in other comprehensive</b>	<b>(88.70)</b>	<b>(82.55)</b>
<b>Total</b>	<b>(13.29)</b>	<b>12.98</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**38. Employee benefits:**

The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows:

Particulars	31 March 2019	31 March 2018
Discount rate (per annum)	7.61%	7.52%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5%	5.00%
Mortality	IALM(2006-08)Ultimate Mortality Table	

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk and salary risk.

- a) Interest risk: a decrease in the bond interest rate will increase the plan liability.  
 b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

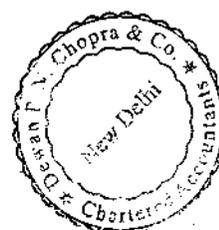
**Sensitivity analysis**

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Gratuity	
	2018-19	2017-18
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(12.82)	(16.62)
If discount rate is decreased by 1%	15.28	19.96
If salary escalation rate is increased by 1%	14.70	19.20
If salary escalation rate is decreased by 1%	(12.57)	(16.30)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**38. Employee benefits:**

Discounted Expected outflow in future years (as provided in actuarial report)

Particulars	(Rs. in Lakhs)	
	2018-19	2017-18
	<b>Gratuity</b>	
Expected outflow in 1st Year	3.72	7.16
Expected outflow in 2nd Year	4.97	5.11
Expected outflow in 3rd Year	6.37	4.75
Expected outflow in 4th Year	7.54	5.97
Expected outflow in 5th Year	16.19	4.83
Expected outflow in 6th to 10th Year	49.31	38.81

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.89 years.

**(c) Other long term employment benefits:****Annual leave & Short term leave**

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2019 based on actuarial valuation carried out by using Projected accrued benefit method resulted in decrease in liability by Rs. 65.61 lakhs (31 March 2018: decrease in liability by Rs. 15.91 lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations of compensated absences are as follows:

Particulars	As at	
	31 March 2019	31 March 2018
Discount rate	7.61%	7.52%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality rate	IALM(2006-08)Ultimate Mortality Table	



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

**(i) Where control exists :**

Inox Wind Limited (IWL) - holding company

Gujarat Fluorochemicals Limited (GFL) - holding company

Inox Leasing and Finance Limited - ultimate holding company

**Subsidiaries**

1. Marut Shakti Energy India Limited
3. Sarayu Wind Power (Tallimadugula) Private Limited
5. Sarayu Wind Power (Kondapuram) Private Limited
7. Suswind Power Private Limited (incorporated on 27 April 2017)
9. Ripudaman Urja Private Limited (incorporated on 28 April 2017)
11. Vigodi Wind Energy Private Limited (incorporated on 20 November 2017)
13. Vuelta Wind Energy Private Limited (incorporated on 17 January 2018)
15. Aliento Wind Energy Private Limited (incorporated on 17 January 2018)
17. Flurry Wind Energy Private Limited (incorporated on 18 January 2018)
19. Khatiyu Wind Energy Private Limited (w.e.f. On 15 December 2018)\*
21. Nani Virani Wind Energy Private Limited (w.e.f. On 15 December 2018)\*
23. Wind Three Renergy Private Limited (Upto 29 November 2018)\*\*
2. Satviki Energy Private Limited
4. Vinirmaa Energy Generation Private Limited
6. RBRK Investments Limited – (w.e.f. on 30 August 2016)
8. Vasuprada Renewables Private Limited (incorporated on 27 April 2017)
10. Haroda Wind Energy Private Limited (incorporated on 16 November 2017)
12. Vibhav Energy Private Limited (incorporated on 10 July 2017)
14. Tempest Wind Energy Private Limited (incorporated on 17 January 2018)
16. Flutter Wind Energy Private Limited (incorporated on 18 January 2018)
18. Sri Pavan Energy Pvt Ltd (incorporated on 09 April 2018)
20. Ravapar Wind Energy Private Limited (w.e.f. On 15 December 2018)\*
22. Wind One Renergy Private Limited (Upto 29 November 2018)\*\*

**Associates**

1. Khatiyu Wind Energy Private Limited (Upto 15 December 2018)\*
3. Ravapar Wind Energy Private Limited (Upto On 15 December 2018)\*
5. Nani Virani Wind Energy Private Limited (Upto On 15 December 2018)\*
7. Wind Four Renergy Private Limited
2. Wind One Renergy Private Limited (w.e.f. 29 November 2018)\*\*
4. Wind Three Renergy Private Limited (w.e.f. 29 November 2018)\*\*
6. Wind Two Renergy Private Limited
8. Wind Five Renergy Private Limited



**39. Related Party Disclosures:**

**ii. Other Related parties with whom there are transactions during the year**

**Key Management Personnel (KMP)**

Mr. Vineet Davis – whole-time director

Mr. Manoj Dixit – whole-time director

Mr. Mukesh Manglik - Non executive director

Mr. Shanti Prasad Jain - Non executive director

Mr. V.Sankaranarayanan - Non executive director

**Fellow Subsidiaries**

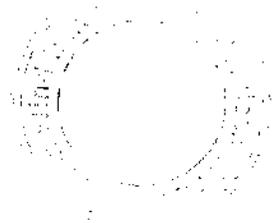
Inox Renewables Limited (IRL)-subsidiary of GFL

Inox Renewables (Jaisalmer) Limited-subsidiary of IRL#

\*The Company has cancelled various binding agreements (including call & put option agreement and voting rights agreement) with a party. Due to cancellation of the binding agreements, it is assessed that the Company has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, IWISL has accounted for investment in such companies as investment in 'subsidiary' from the date of gaining control.

\*\* IWISL has formed above wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. During the year, IWISL has entered into various binding agreements with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that IWISL has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, IWISL has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.

# IRL got amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 03 April 2019. The Appointed Date of the Scheme is 01 April 2018 and it became effective from 25 April 2019.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		(Rs. in Lakhs) Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	<b>A) Transactions during the year</b>							
<b>Sale of goods and services</b>								
Inox Wind Limited	4,505.53	7,594.48	-	-	-	-	4,505.53	7,594.48
Gujarat Fluorochemicals Limited	468.91	444.13	-	-	-	-	468.91	444.13
Marut Shakti Energy India Limited	324.00	-	-	-	-	-	324.00	-
Inox Renewables Limited	-	-	-	-	69.30	1,143.54	69.30	1,143.54
Wind Three Renergy Pvt Ltd	-	-	3,393.22	-	-	-	3,393.22	-
Sri Pavan Energy Private Limited	715.14	-	-	-	-	-	715.14	-
<b>Total</b>	<b>6,013.58</b>	<b>8,038.61</b>	<b>3,393.22</b>	<b>-</b>	<b>69.30</b>	<b>1,143.54</b>	<b>9,476.10</b>	<b>9,182.15</b>
<b>Purchase of goods and services</b>								
Inox Wind Limited	4,457.67	4,623.00	-	-	-	-	4,457.67	4,623.00
Inox Renewables Limited	-	-	-	-	87.50	-	87.50	-
RBRK Investments Limited	-	926.27	-	-	-	-	-	926.27
<b>Total</b>	<b>4,457.67</b>	<b>5,549.27</b>	<b>-</b>	<b>-</b>	<b>87.50</b>	<b>-</b>	<b>4,545.17</b>	<b>5,549.27</b>
<b>Inter-corporate deposits taken</b>								
Inox Wind Limited	39,473.08	54,795.70	-	-	-	-	39,473.08	54,795.70
Gujarat Fluorochemicals Limited	14,250.00	-	-	-	-	-	14,250.00	-
<b>Total</b>	<b>53,723.08</b>	<b>54,795.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,723.08</b>	<b>54,795.70</b>
<b>Inter-corporate deposits refunded</b>								
Inox Wind Limited	33,574.82	54,160.57	-	-	-	-	33,574.82	54,160.57
Gujarat Fluorochemicals Limited	4,250.00	-	-	-	-	-	4,250.00	-
<b>Total</b>	<b>37,824.82</b>	<b>54,160.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,824.82</b>	<b>54,160.57</b>
<b>Debentures Redeemed</b>								
Inox Wind Limited	10,000.00	-	-	-	-	-	10,000.00	-
<b>Total</b>	<b>10,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000.00</b>	<b>-</b>

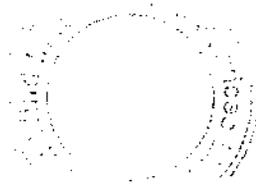


**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		(Rs. In Lakhs) Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	<b>A) Transactions during the year</b>							
<b>Share acquired during the year</b>								
Wind One Renergy Private Limited	-	1.00	-	-	-	-	-	1.00
Wind Two Renergy Private Limited	-	1.00	-	-	-	-	-	1.00
Wind Three Renergy Private Limited	-	1.00	-	-	-	-	-	1.00
Wind Four Renergy Private Limited	-	1.00	-	-	-	-	-	1.00
Wind Five Renergy Private Limited	-	1.00	-	-	-	-	-	1.00
Vasuprada Renewables Private Limited	-	1.00	-	-	-	-	-	1.00
Suswind Power Private Limited	-	1.00	-	-	-	-	-	1.00
Ripudaman Urja Private Limited	-	1.00	-	-	-	-	-	1.00
Vibhav Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Haroda Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Vigodi Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Aliento Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Tempest Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Flurry Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Vuelta Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Flutter Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Ravapar Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Khatiyu Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Nani Virani Wind Energy Private Limited	-	1.00	-	-	-	-	-	1.00
Sri Pavan Energy Private Limited	5.10	-	-	-	-	-	-	1.00
<b>Total</b>	<b>5.10</b>	<b>19.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.10</b>	<b>-</b>
							<b>5.10</b>	<b>19.00</b>
<b>Advance received</b>								
Gujarat Fluorochemicals Limited	3,300.00	1,760.00	-	-	-	-	3,300.00	1,760.00
Inox Renewables Limited	-	-	-	-	-	2,150.00	-	2,150.00
<b>Total</b>	<b>3,300.00</b>	<b>1,760.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,150.00</b>	<b>3,300.00</b>	<b>3,910.00</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		(Rs. In Lakhs)	
							Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year</b>								
<b>Inter-corporate deposits given</b>								
Marut Shakti Energy India Limited	81.66	169.78	-	-	-	-	81.66	169.78
Satviki Energy Private Limited	1.48	1.41	-	-	-	-	1.48	1.41
Sarayu Wind Power (Tallimadugula) Private Limited	6.34	39.67	-	-	-	-	6.34	39.67
Vinirmaa Energy Generation Private Limited	5.27	27.67	-	-	-	-	5.27	27.67
Sarayu Wind Power (Kondapuram) Private Limited	3.31	3.10	-	-	-	-	3.31	3.10
RBRK Investments Limited	312.77	3,210.71	-	-	-	-	312.77	3,210.71
Wind One Renergy Private Limited	0.05	0.30	0.06	-	-	-	0.11	0.30
Wind Two Renergy Private Limited	-	0.30	-	0.55	-	-	-	0.85
Wind Three Renergy Private Limited	10.83	0.30	40.61	-	-	-	51.44	0.30
Wind Four Renergy Private Limited	-	0.30	-	0.55	-	-	-	0.85
Wind Five Renergy Private Limited	-	0.30	-	0.55	-	-	-	0.85
Vasuprada Renewables Private Limited	0.06	0.30	-	-	-	-	0.06	0.30
Tempest Wind Energy Private Limited	93.62	0.10	-	-	-	-	93.62	0.10
Aliento Wind Energy Private Limited	93.62	0.10	-	-	-	-	93.62	0.10
Flutter Wind Energy Private Limited	96.14	0.10	-	-	-	-	96.14	0.10
Flurry Wind Energy Private Limited	93.62	0.10	-	-	-	-	93.62	0.10
Vuelta Wind Energy Private Limited	93.62	0.10	-	-	-	-	93.62	0.10
Suswind Energy Private Limited	96.28	-	-	-	-	-	96.28	-
Ripudaman Energy Private Limited	0.06	-	-	-	-	-	0.06	-
Vibhav Wind Energy Pvt Ltd	0.05	-	-	-	-	-	0.05	-
Vigodi Wind Energy Private Limited	0.06	-	-	-	-	-	0.06	-
Haroda Wind Energy Pvt Ltd	0.06	-	-	-	-	-	0.06	-
<b>Total</b>	<b>988.90</b>	<b>3,454.64</b>	<b>40.67</b>	<b>1.65</b>	<b>-</b>	<b>-</b>	<b>1,029.57</b>	<b>3,456.29</b>
<b>Inter-corporate deposits received back</b>								
Marut Shakti Energy India Limited	296.50	1,385.00	-	-	-	-	296.50	1,385.00
Vinirmaa Energy Generation Private Limited	0.20	308.00	-	-	-	-	0.20	308.00
Sarayu Wind Power (Tallimadugula)	57.00	171.00	-	-	-	-	57.00	171.00
RBRK Investmenst Ltd.	2,982.50	-	-	-	-	-	2,982.50	-
Wind Two Energy Pvt. Ltd.	-	-	0.85	-	-	-	0.85	-
Wind Four Energy Pvt. Ltd.	-	-	0.85	-	-	-	0.85	-
Wind Five Energy Pvt. Ltd.	-	-	0.85	-	-	-	0.85	-
<b>Total</b>	<b>3,336.20</b>	<b>1,864.00</b>	<b>2.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,338.75</b>	<b>1,864.00</b>



## INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the standalone financial statements for the year ended 31 March 2019

## 39. Related Party Disclosures:

Particulars	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		(Rs. In Lakhs) Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year</b>								
<b>Interest paid</b>								
Inox Wind Limited								
-On inter-corporate deposit	2,007.76	1,297.11	-	-	-	-	2,007.76	1,297.11
-On debentures	1,829.04	2,000.00	-	-	-	-	1,829.04	2,000.00
Gujarat Fluorochemicals Limited								
-On inter-corporate deposit	387.14	-	-	-	-	-	387.14	-
<b>Total</b>	<b>4,223.94</b>	<b>3,297.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,223.94</b>	<b>3,297.11</b>
<b>Guarantee Charges paid</b>								
Gujarat Fluorochemicals Limited	918.94	219.55	-	-	-	-	918.94	219.55
<b>Interest received</b>								
Marut Shakti Energy India Limited	272.10	323.57	-	-	-	-	272.10	323.57
Sarayu Wind Power (Tallimadugula) Private Limited	35.67	44.06	-	-	-	-	35.67	44.06
Sarayu Wind Power (Kondapuram) Private Limited	13.76	13.34	-	-	-	-	13.76	13.34
Satviki Energy Private Limited	0.70	0.49	-	-	-	-	0.70	0.49
Vinirmaa Energy Generation Private Limited	20.40	46.35	-	-	-	-	20.40	46.35
RBRK Investments Limited	306.88	197.02	-	-	-	-	306.88	197.02
Wind One Renergy Private Limited	0.03	0.02	0.02	-	-	-	0.05	0.02
Wind Two Renergy Private Limited	-	0.01	0.10	0.02	-	-	0.10	0.03
Wind Three Renergy Private Limited	0.33	0.02	1.02	-	-	-	1.35	0.02
Wind Four Renergy Private Limited	-	0.01	0.10	0.02	-	-	0.10	0.03
Wind Five Renergy Private Limited	-	0.01	0.10	0.02	-	-	0.10	0.03
Vasuprada Renewables Private Limited	0.04	0.02	-	-	-	-	0.04	0.02
Vigodi Wind Energy Private Limited	*	-	-	-	-	-	*	-
Haroda Wind Energy Pvt Ltd	*	-	-	-	-	-	*	-
Vibhav Wind Energy Pvt Ltd	*	-	-	-	-	-	*	-
Ripudaman Wind Energy Pvt Ltd	*	-	-	-	-	-	*	-
Vuelta Wind Energy Private Limited	9.51	*	-	-	-	-	9.51	*
Tempest Wind Energy Private Limited	9.51	*	-	-	-	-	9.51	*
Aliento Wind Energy Private Limited	9.51	*	-	-	-	-	9.51	*
Suswind Power Pvt. Ltd.	7.12	-	-	-	-	-	7.12	-
Flutter Wind Energy Private Limited	7.12	*	-	-	-	-	7.12	*
Flurry Wind Energy Private Limited	9.51	*	-	-	-	-	9.51	*
<b>Total</b>	<b>702.20</b>	<b>624.92</b>	<b>1.33</b>	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>703.53</b>	<b>624.98</b>

(\*) Amount is less than Rs. 0.01 lakh



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		(Rs. In Lakhs)	
							Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year</b>								
<b>Reimbursement of expenses received/payments made on behalf by the company</b>								
Inox Wind Limited	12.47	8.42	-	-	-	-	12.47	8.42
RBRK Investments Limited	-	409.09	-	-	-	-	-	409.09
Inox Renewables Limited	-	-	-	-	-	-	-	-
Sarayu Wind Power (Kondapuram) Private Limited	-	-	-	-	-	-	-	-
Satviki Energy Private Limited	-	-	-	-	-	-	-	-
Marut Shakti Energy India Limited	-	0.47	-	-	-	-	-	0.47
Suswind Power Private Limited	-	0.24	-	-	-	-	-	0.24
Vasuprada Renewables Private Limited	-	0.24	-	-	-	-	-	0.24
Ripudaman Urja Private Limited	-	0.25	-	-	-	-	-	0.25
Haroda Wind Energy Private Limited	-	0.32	-	-	-	-	-	0.32
Vigodi Wind Energy Private Limited	-	0.29	-	-	-	-	-	0.29
Vibhav Energy Private Limited	-	0.25	-	-	-	-	-	0.25
<b>Total</b>	<b>12.47</b>	<b>419.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.47</b>	<b>419.57</b>
<b>Reimbursement of expenses paid/payments made on behalf of the company</b>								
Inox Wind Limited	103.36	458.07	-	-	-	-	103.36	458.07
Gujarat Fluorochemicals Limited	293.19	-	-	-	-	-	293.19	-
RBRK Investments Limited	-	75.25	-	-	-	-	-	75.25
Inox Renewables Limited	-	-	-	-	-	-	-	-
<b>Total</b>	<b>396.55</b>	<b>533.32</b>	<b>-</b>	<b>-</b>	<b>14.78</b>	<b>9.17</b>	<b>14.78</b>	<b>9.17</b>
					<b>14.78</b>	<b>9.17</b>	<b>411.32</b>	<b>542.49</b>
<b>Provision for dimunition in value of investments</b>								
RBRK Investments Limited	-	268.30	-	-	-	-	-	268.30
<b>Total</b>	<b>-</b>	<b>268.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>268.30</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	(Rs. In Lakhs)							
	Holding/Subsidiary companies		Associates		Fellow Subsidiaries		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year</b>								
Provision for diminution in value of deposits								
Marut Shakti Energy India Limited	286.11	318.37	-	-	-	-	286.11	318.37
Vinirmaa Energy Generation Private Limited	21.89	37.04	-	-	-	-	21.89	37.04
Sarayu Wind Power (Tallimadugula) Private Limited	26.82	19.22	-	-	-	-	26.82	19.22
RBRK Investments Limited	777.81	454.38	-	-	-	-	777.81	454.38
<b>Total</b>	<b>1,112.63</b>	<b>829.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,112.63</b>	<b>829.01</b>

Particulars	(Rs. In Lakhs)							
	Holding/subsidiary companies		Associates		Fellow subsidiaries		Total	
	2018-18	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>B) Balance as at the end of the year</b>								
<b>a) Amounts payable</b>								
Trade and other payable								
Inox Wind Limited	7,611.38	7,050.19	-	-	-	-	7,611.38	7,050.19
RBRK Investments Limited	1.95	2,163.71	-	-	-	-	1.95	2,163.71
Marut Shakti Energy India Limited	-	1,389.03	-	-	-	-	-	1,389.03
<b>Total</b>	<b>7,613.33</b>	<b>10,602.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,613.33</b>	<b>10,602.93</b>
Inter-corporate deposit payable								
Inox Wind Limited	21,774.39	15,876.14	-	-	-	-	21,774.39	15,876.14
Gujarat Fluorochemicals Limited	10,000.00	-	-	-	-	-	10,000.00	-
<b>Total</b>	<b>31,774.39</b>	<b>15,876.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,774.39</b>	<b>15,876.14</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/subsidiary companies		Associates		Fellow subsidiaries		(Rs. In Lakhs) Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>B) Balance as at the end of the year</b>								
<b>Debtures</b>								
Inox Wind Limited	40,000.00	50,000.00	-	-	-	-	40,000.00	50,000.00
<b>Interest payable on inter-corporate deposit</b>								
Inox Wind Limited	1,806.98	269.82	-	-	-	-	1,806.98	269.82
<b>Interest payable on debtures</b>								
Inox Wind Limited	581.92	735.78	-	-	-	-	581.92	735.78
<b>b) Amounts receivable</b>								
<b>Trade receivables</b>								
Gujarat Fluorochemicals Limited	185.58	-	-	-	-	-	185.58	-
Marut Shakti Energy India Ltd	945.42	-	-	-	-	-	945.42	-
Inox Renewables Limited	-	-	-	-	361.12	273.25	361.12	273.25
Inox Wind Limited	-	-	-	-	-	-	-	-
Sri Pavan Energy Private Limited	790.05	-	-	-	-	-	790.05	-
Wind Three Renergy Private Limited	-	-	3,504.19	-	-	-	3,504.19	-
<b>Total</b>	<b>1,921.05</b>	<b>-</b>	<b>3,504.19</b>	<b>-</b>	<b>361.12</b>	<b>273.25</b>	<b>5,786.35</b>	<b>273.25</b>
<b>Advance received from Customer</b>								
Gujarat Fluorochemicals Limited	5,060.00	1,760.00	-	-	-	-	5,060.00	1,760.00
Inox Renewables Limited	-	-	-	-	2,150.00	2,150.00	2,150.00	2,150.00
<b>Total</b>	<b>5,060.00</b>	<b>1,760.00</b>	<b>-</b>	<b>-</b>	<b>2,150.00</b>	<b>2,150.00</b>	<b>7,210.00</b>	<b>3,910.00</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	(Rs. In Lakhs)							
	Holding/subsidiary companies		Associates		Fellow subsidiaries		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>B) Balance as at the end of the year</b>								
<b>Inter-corporate deposit receivable</b>								
Marut Shakti Energy India Limited	2,134.08	2,348.92	-	-	-	-	2,134.08	2,348.92
Sarayu Wind Power (Tallimadugula) Private Limited	283.95	334.62	-	-	-	-	283.95	334.62
Sarayu Wind Power (Kondapuram) Private Limited	115.61	112.30	-	-	-	-	115.61	112.30
Satviki Energy Private Limited	6.48	5.00	-	-	-	-	6.48	5.00
Vinirmaa Energy Generation Private Limited	170.47	165.40	-	-	-	-	170.47	165.40
RBRK Investments Limited	1,587.50	4,257.23	-	-	-	-	1,587.50	4,257.23
Wind One Renergy Private Limited	-	0.30	0.41	-	-	-	0.41	0.30
Wind Two Renergy Private Limited	-	-	-	0.85	-	-	-	0.85
Wind Three Renergy Private Limited	-	0.30	51.74	-	-	-	51.74	0.30
Wind Four Renergy Private Limited	-	-	-	0.85	-	-	-	0.85
Wind Five Renergy Private Limited	-	-	-	0.85	-	-	-	0.85
Vasuprada Renewables Private Limited	0.36	0.30	-	-	-	-	0.36	0.30
Tempest Wind Energy Private Limited	93.72	0.10	-	-	-	-	93.72	0.10
Aliento Wind Energy Private Limited	93.72	0.10	-	-	-	-	93.72	0.10
Flutter Wind Energy Private Limited	96.24	0.10	-	-	-	-	96.24	0.10
Flurry Wind Energy Private Limited	93.72	0.10	-	-	-	-	93.72	0.10
Vuelta Wind Energy Private Limited	93.72	0.10	-	-	-	-	93.72	0.10
Vigodi Energy Private Limited	0.35	-	-	-	-	-	0.35	-
Haroda Wind Energy Pvt Ltd	0.38	-	-	-	-	-	0.38	-
Vibhav Energy Private Limited	0.05	-	-	-	-	-	0.05	-
Ripudaman Wind Energy Pvt. Ltd.	0.06	-	-	-	-	-	0.06	-
Suswind Energy Private Limited	96.28	-	-	-	-	-	96.28	-
<b>Total</b>	<b>4,866.69</b>	<b>7,224.87</b>	<b>52.15</b>	<b>2.55</b>	<b>-</b>	<b>-</b>	<b>4,918.84</b>	<b>7,227.42</b>
<b>Other dues Receivable</b>								
Suswind Power Private Limited	0.24	0.24	-	-	-	-	0.24	0.24
Vasuprada Renewables Private Limited	0.24	0.24	-	-	-	-	0.24	0.24
Ripudaman Urja Private Limited	0.25	0.25	-	-	-	-	0.25	0.25
Sarayu Wind Power (Kondapuram) Private Limited	-	-	-	-	-	-	-	-
Satviki Energy Private Limited	-	-	-	-	-	-	-	-
Haroda Wind Energy Private Limited	-	0.32	-	-	-	-	-	0.32
Vigodi Wind Energy Private Limited	-	0.29	-	-	-	-	-	0.29
Sarayu Wind Power (Tallimadugula) Private Limited	-	-	-	-	-	-	-	-
Vibhav Energy Private Limited	0.25	0.25	-	-	-	-	0.25	0.25
<b>Total</b>	<b>0.98</b>	<b>1.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.98</b>	<b>1.59</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**

Particulars	Holding/subsidiary companies		Associates		Fellow subsidiaries		(Rs. In Lakhs) Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>B) Balance as at the end of the year</b>								
Interest on Inter-corporate deposit receivable								
Marut Shakti Energy India Limited	883.44	638.54	-	-	-	-	883.44	638.54
Sarayu Wind Power (Tallimadugula) Private Limited	112.79	80.68	-	-	-	-	112.79	80.68
Sarayu Wind Power (Kondapuram) Private Limited	36.11	23.73	-	-	-	-	36.11	23.73
Satviki Energy Private Limited	1.08	0.44	-	-	-	-	1.08	0.44
Vinirmaa Energy Generation Private Limited	105.61	87.25	-	-	-	-	105.61	87.25
RBRK Investments Limited	276.19	209.23	-	-	-	-	276.19	209.23
Wind One Renergy Private Limited	-	0.02	0.06	-	-	-	0.06	0.02
Wind Two Renergy Private Limited	-	-	-	0.03	-	-	-	0.03
Wind Three Renergy Private Limited	-	0.02	1.24	-	-	-	1.24	0.02
Wind Four Renergy Private Limited	-	-	-	0.03	-	-	-	0.03
Wind Five Renergy Private Limited	-	-	-	0.03	-	-	-	0.03
Vasuprada Renewables Private Limited	0.06	0.02	-	-	-	-	0.06	0.02
Vigodi Energy Private Limited	*	-	-	-	-	-	*	-
HARODA WIND ENERGY PVT LTD	*	-	-	-	-	-	*	-
Vibhav Energy Private Limited	*	-	-	-	-	-	*	-
RIPUDAMAN WIND ENERGY PVT LTD	*	-	-	-	-	-	*	-
Suswind Energy Private Limited	6.41	-	-	-	-	-	6.41	-
Tempest Wind Energy Private Limited	8.56	*	-	-	-	-	8.56	*
Aliento Wind Energy Private Limited	8.56	*	-	-	-	-	8.56	*
Flutter Wind Energy Private Limited	6.41	*	-	-	-	-	6.41	*
Flurry Wind Energy Private Limited	8.56	*	-	-	-	-	8.56	*
Vuelta Wind Energy Private Limited	8.56	*	-	-	-	-	8.56	*
<b>Total</b>	<b>1,462.33</b>	<b>1,039.93</b>	<b>1.30</b>	<b>0.09</b>	-	-	<b>1,463.63</b>	<b>1,040.02</b>
<b>Other dues Payable</b>								
Gujarat Fluorochemicals Limited	1,138.49	219.55	-	-	-	-	1,138.49	219.55

(\*) Amount is less than Rs. 0.01 lakhs



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:****C) Guarantees**

During the year, Gujarat Fluorochemicals Limited, the holding company, has issued guarantee and provided security in respect of borrowings by the Company. The outstanding balances of such borrowings as at 31 March 2019 is Rs. 44,383.00 lakh. lakhs (31 March 2018 is Rs. 36,293.89 lakhs).

Notes:

(a) Sales, purchases and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for the year ended 31 March 2019 and 1 April 2018 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) There have been no other guarantees received or provided for any related party receivables or payables.

(e) Compensation of Key management personnel

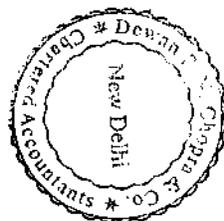
Particulars	(Rs. In Lakhs)	
	2018-19	2017-18
(i) Remuneration paid -		
- Mr. Manoj Dixit	28.11	24.52
- Mr. Vineet Davis	40.79	40.79
Sitting fees paid to directors	7.40	6.40
<b>Total</b>	<b>76.30</b>	<b>71.71</b>

Particulars	(Rs. In Lakhs)	
	2018-19	2017-18
Short term benefits	68.90	65.31
Post employment benefits*		
Long term employment benefits*		
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	7.40	6.40
<b>Total</b>	<b>76.30</b>	<b>71.71</b>

\*As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company, the amount pertaining to KMP are not included above.

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends.

Contribution to provident Fund (defined contribution plan) is Rs. 3.24 lakhs (previous year Rs. 3.24 lakhs) included in the amount of remuneration reported above.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

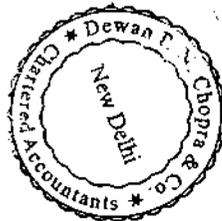
**39. Related Party Disclosures:**

(b) Disclosure required under section 186(4) of the Companies Act, 2013

Loans to related parties:

Name of the Party	Rs. in Lakhs	
	31 March 2019	31 March 2018
Marut Shakti Energy India Limited	2,134.08	2,348.92
Sarayu Wind Power (Tallimadugula) Private Limited	283.95	334.62
Sarayu Wind Power (Kondapuram) Private Limited	115.61	112.30
Satviki Energy Private Limited	6.48	5.00
Vinirrrmaa Energy Generation Private Limited	170.47	165.40
RBRK Investments Limited	1,587.50	4,257.23
Wind One Energy Pvt. Ltd.	0.41	0.30
Wind Two Energy Pvt. Ltd.	-	0.85
Wind Three Energy Pvt. Ltd.	51.74	0.30
Wind Four Energy Pvt. Ltd.	-	0.85
Wind Five Energy Pvt. Ltd.	-	0.85
Vasuprada Renewables Private Limited	0.36	0.30
Tempest Wind Energy Private Limited	93.72	0.10
Aliento Wind Energy Private Limited	93.72	0.10
Flutter Wind Energy Private Limited	96.24	0.10
Flurry Wind Energy Private Limited	93.72	0.10
Vuelta Wind Energy Private Limited	93.72	0.10
Vigodi Energy Private Limited	0.35	-
Haroda Wind Energy Pvt Ltd	0.38	-
Vibhav Energy Private Limited	0.05	-
Ripudaman Wind Energy Pvt. Ltd.	0.06	-
Suswind Energy Private Limited	96.28	-
<b>Total</b>	<b>4,918.84</b>	<b>7,227.42</b>

The above loans are unsecured. The inter-corporate deposits are repayable on demand and carries interest @ 12% p.a. These loans are given for general business purposes.

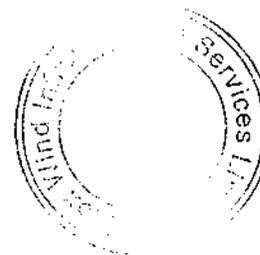


**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**39. Related Party Disclosures:**
**(c) Additional disclosure in respect of loans given, as required by the Listing Agreement:**

Name of the loanee	Year	Amount of loans at the year end	Maximum balance during the year	Rs. In Lakhs	
				Investment by the loanee in shares of the company	
Marut Shakti Energy India Limited	31 March 2019	2,134.08	2,403.31		Nil
	31 March 2018	2,348.92	3,728.29		Nil
Sarayu Wind Power (Tallimadugula) Private Limited	31 March 2019	283.95	339.27		Nil
	31 March 2018	334.62	470.51		Nil
Sarayu Wind Power (Kondapuram) Private Limited	31 March 2019	115.61	115.61		Nil
	31 March 2018	112.30	112.30		Nil
Satviki Energy Private Limited	31 March 2019	6.48	6.48		Nil
	31 March 2018	5.00	5.00		Nil
Vinirрмаa Energy Generation Private Limited	31 March 2019	170.47	170.67		Nil
	31 March 2018	165.40	471.71		Nil
RBRK Investments Limited	31 March 2019	1,587.50	4,257.23		Nil
	31 March 2018	4,257.23	4,257.23		Nil
Wind One Energy Pvt. Ltd.	31 March 2019	0.41	0.41		Nil
	31 March 2018	0.30	0.30		Nil
Wind Three Energy Pvt. Ltd.	31 March 2019	51.74	51.74		Nil
	31 March 2018	0.30	0.30		Nil
Vasuprada Renewables Private Limited	31 March 2019	0.36	0.36		Nil
	31 March 2018	0.30	0.30		Nil
Tempest Wind Energy Private Limited	31 March 2019	93.72	93.72		Nil
	31 March 2018	0.10	0.10		Nil
Aliento Wind Energy Private Limited	31 March 2019	93.72	93.72		Nil
	31 March 2018	0.10	0.10		Nil
Flutter Wind Energy Private Limited	31 March 2019	96.24	96.24		Nil
	31 March 2018	0.10	0.10		Nil
Flurry Wind Energy Private Limited	31 March 2019	93.72	93.72		Nil
	31 March 2018	0.10	0.10		Nil
Vuelta Wind Energy Private Limited	31 March 2019	93.72	93.72		Nil
	31 March 2018	0.10	0.10		Nil
VIGODI WIND ENERGYPRIVATE LIMIT	31 March 2019	0.06	0.06		Nil
	31 March 2018	-	-		Nil
HARODA WIND ENERGY PVT LTD	31 March 2019	0.06	0.06		Nil
	31 March 2018	-	-		Nil
VIBHAV WIND ENERGY PVT LTD	31 March 2019	0.05	0.05		Nil
	31 March 2018	-	-		Nil
RIPUDAMAN WIND ENERGY PVT LTD	31 March 2019	0.06	0.06		Nil
	31 March 2018	-	-		Nil
SUSWIND ENERGY PVT LTD	31 March 2019	96.28	96.28		Nil
	31 March 2018	-	-		Nil



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**40: Exceptional items**

Particulars	(Rs. in Lakhs)	
	2018-19	2017-18
Provision for diminution in value of investment in a subsidiary	-	268.30
Provision for doubtful inter-corporate deposit to a subsidiary	1,747.68	829.02
<b>Total</b>	<b>1,747.68</b>	<b>1,097.32</b>

The management has reviewed the carrying amount of investment in, and inter-corporate deposits given to, subsidiaries. After considering the position of losses of subsidiaries and balance wind farm sites available for sale, provision is made for diminution in the value of investment and for doubtful inter-corporate deposits to the extent of accumulated losses of subsidiaries.

**41: Balance Confirmation**

The Company has a system of obtaining periodic confirmation of balances from banks, trade receivables/payables and other parties. The balance confirmation letters as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to banks and parties and certain parties' balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

**42: Particulars of payment to Auditors**

Particulars	(Rs. in Lakhs)	
	2018-19	2017-18
Statutory audit	4.00	4.00
Tax audit and other audits under Income-tax Act	1.75	1.75
Taxation matters	-	1.50
Certification fees	-	0.80
<b>Total</b>	<b>5.75</b>	<b>8.05</b>

**43: Contingent liabilities**

(a) Claims against the Company not acknowledged as debts: claims made by contractors - Rs. 3,578.36 lakhs (as at 31 March 2018: Rs. 3,350.40 lakhs)

Some of the suppliers have raised claims including interest on account of non payment in terms of the respective contracts. The Company has contended that the suppliers have not adhered to some of the contract terms. At present the matters are pending before the jurisdictional authorities or are under negotiations.

b) In respect of claims made by three customers for non-commissioning of WTGs, the amount is not ascertainable.

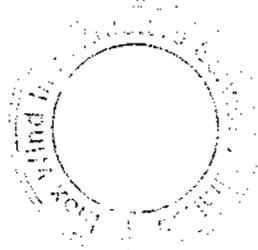
In respect of above matters, no additional provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Company to estimate the timing and amounts of further cash outflows, if any, in respect of these matters.

**44: Capital & other Commitments****Capital Commitments**

(a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 3,701.48 Lakhs, (31 March 2018: Rs. 2,783.77 Lakhs).

**Other Commitments**

(b) Bank Guarantee issued by the Company to its customer for Rs. 10,000 Lakh (as at 31 March is Rs.10,000 Lakh 2018)



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**45: Operating lease arrangements**

Leasing arrangements in respect of operating lease for office premises / residential premises:  
The Company's significant lease agreements are for a period of 11/60 months and are cancellable. The aggregate lease rentals are charged as "Rent" in the Statement of Profit and Loss.

**46: Segment Information**

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and segment performance focuses on single business segment of Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities services for WTGs, and development of wind farm and hence there is only one reportable business segment in terms of Ind AS 108: Operating Segment.

One customer contributed out of total revenue more than 10% of the total Group's revenue amounting to Rs. 4,117.23 lakhs (31 March 2018: is Rs. 11,787.11 lakhs).

**47. Revenue from contracts with customers as per Ind As 115****(A) Disaggregated revenue information**

In the following table, revenue from contracts with customers is disaggregated by primary major products and service lines. Since the Company has only one reportable business segment, no reconciliation of the disaggregated revenue is required:

Reportable segment/Manufacture of Wind Turbine

Particulars	(Rs. In Lakhs)
	2018-2019
<b>Major Product/ Service Lines</b>	
Sale of goods	-
Sale of services	21,465.77
Others	54.98
<b>Total</b>	<b>21,520.75</b>

**(B) Contract balances**

All the Trade Receivables and Contract Liabilities have been separately presented in notes to accounts.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2019

**48: Corporate Social Responsibilities (CSR)**

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is Rs. NIL (31 March 2018 is Rs. 21.05 Lakhs).

(b) Amount spent during the year ended 31 March 2019:

Particulars	(Rs. in Lakhs)		
	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii) On purpose other than (i) above - Donations	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Figures in brackets pertain to 31 March 2018)

49: There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**50: Events after the Reporting period**

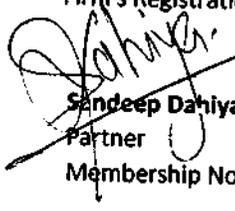
There are no events observed after the reported period which have an impact on the company operations.

As per our report of even date attached

**For Dewan PN Chopra & Co.**

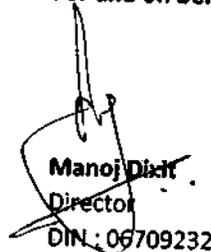
Chartered Accountants

Firm's Registration No 00047211

  
**Sandeep Dahiya**  
Partner  
Membership No. 505371



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

  
**Manoj Dixit**  
Director  
DIN : 06709232

  
**Vineet Davis**  
Director  
DIN : 06709239

  
**Narayan Lodha**  
Chief Financial Officer

  
**Abhishek Dahia**  
Company Secretary

Place : Noida  
Date : 18 May 2019

Place : Noida  
Date : 18 May 2019

# Dewan P.N. Chopra & Co.

## Chartered Accountants

C-109, Defence Colony, New Delhi - 110 024, India  
Phones +91-11-24645895/96 E-mail : audit@dpncindia.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of Inox Wind Infrastructure Services Limited

Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Inox Wind Infrastructure Services Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2019, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

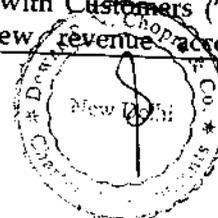
#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key audit Matters	How our audit addressed the key audit matter
<b>Adoption of Ind AS 115 - Revenue from Contracts with Customers</b>	
As described in Note 3.1 to the standalone financial statements, the Group has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115')	Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting



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Branch Office: D-295, Defence Colony, New Delhi - 110 024, India Phones : +91-11-24645891/92/93 E-mail : dpnc@dpncindia.com

<p>115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Group adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.</p>	<p>standard, include -</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;</li> <li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li> <li>• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;</li> <li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Group operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of key uncertain tax positions; and</li> <li>• We along with our internal tax experts - <ul style="list-style-type: none"> <li>➤ Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;</li> <li>➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> <li>➤ Assessed management's estimate of the possible outcome of the disputed cases.</li> </ul> </li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information (hereinafter referred as "the Reports"), but does not include the consolidated financial statements and our auditor's report thereon. The Reports is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the



other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including and its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 ability of the Group and its associates 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- (a) The consolidated financial statements also include the Group's share of net loss of Rs. 23.88 lakh for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of 3



associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, [based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associates, as noted in the other matters paragraph, we report, to the extent applicable, that:

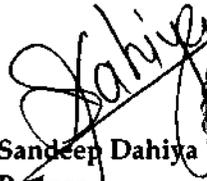
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and associate companies, none of the directors of the Group companies and its associate companies is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associates companies and the operating effectiveness of such controls, refer to our separate report in Annexure.
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of associates, as noted in the Other matter' paragraph
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates— Refer Note 40 to the consolidated financial statements.



ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group (Refer Note 37 to the consolidated financial statements)

iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Dewan P. N. Chopra & Co.  
Chartered Accountants  
Firm Regn. No. 000472N—

  
Sandeep Dahiya  
Partner  
Membership No. 505371



Place: New Delhi  
Date: 18 May 2019

**ANNEXURE - "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INOX WIND INFRASTRUCTURE SERVICES LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, We have audited the internal financial controls over financial reporting of Inox Wind Infrastructure Services Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

## Opinion

In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI

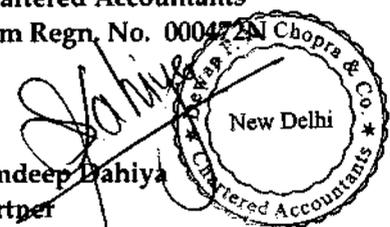
## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three associate of a subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Place: New Delhi  
Date: 18 May 2019

For Dewan P. N. Chopra & Co.  
Chartered Accountants  
Firm Regn. No. 000472N

Sandeep Dahiya  
Partner  
Membership No. 505371



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Consolidated Balance Sheet as at 31 March 2019

		(Rs. in Lakhs)	
Particulars	Notes	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	5	51,191.01	49,951.52
(b) Capital work-in-progress		5,852.73	1,046.32
(c) Intangible assets	6	9.92	16.21
(d) Investment accounted for using the equity method	7	6,931.12	1.95
(e) Financial assets			
(i) Loans	9	1,192.83	1,266.50
(ii) Other non-current financial assets	10	31,100.63	25,226.94
(f) Deferred tax assets (net)	22	3,220.03	71.89
(g) Income tax assets (net)	11	1,600.38	1,786.58
(h) Other non-current assets	12	2,207.86	1,009.86
<b>Total Non - current assets</b>		<b>1,03,306.51</b>	<b>80,377.77</b>
<b>2 Current assets</b>			
(a) Inventories	13	41,541.58	28,054.58
(b) Financial assets			
(i) Other investments	8	133.66	-
(ii) Trade receivables	14	18,462.22	24,396.29
(iii) Cash and cash equivalents	15	63.41	1,722.71
(iv) Bank balances other than (iii) above	16	953.54	2,746.96
(v) Loans	9	52.39	2.64
(vi) Other current financial assets	10	6,803.91	4,028.92
(c) Other current assets	12	18,839.52	9,538.24
<b>Total Current assets</b>		<b>86,850.23</b>	<b>70,490.34</b>
<b>Total Assets</b>		<b>1,90,156.74</b>	<b>1,50,868.11</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
Consolidated Balance Sheet as at 31 March 2019

Particulars	Notes	(Rs. in Lakhs)	
		As at 31 March 2019	As at 31 March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	5,738.95	5.00
(b) Equity component of compound financial instrument	19(e)	3,290.28	3,290.28
(c) Other equity	18	(4,095.96)	(3,115.26)
<b>Equity attributable to owners of the Company</b>		<b>4,933.26</b>	<b>180.02</b>
Non- controlling interests		(38.51)	-
		(38.51)	-
<b>Total equity</b>		<b>4,894.75</b>	<b>180.02</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	52,628.53	54,856.06
(ii) Other non-current financial liabilities	20	1,517.12	2,651.24
(b) Provisions	21	175.18	232.90
(c) Other non-current liabilities	23	9,962.25	5,493.12
<b>Total Non-current liabilities</b>		<b>64,283.08</b>	<b>63,233.32</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	38,955.84	15,876.14
(ii) Trade payables	25		
(a) total outstanding dues of micro enterprises and small enterprises		61.65	69.26
(b) total outstanding dues of creditors other than micro and small enterprises		37,742.84	32,568.57
(iii) Other current financial liabilities	20	31,729.63	32,515.82
(b) Other current liabilities	23	12,447.20	6,349.33
(c) Provisions	21	41.74	75.57
(d) Current tax liabilities (net)	26	0.01	0.08
<b>Total current liabilities</b>		<b>120,978.91</b>	<b>87,454.77</b>
<b>Total Equity and Liabilities</b>		<b>190,156.74</b>	<b>150,868.11</b>

The accompanying notes (1 to 52) are an integral part of the consolidated financial statements

As per our report of even date attached

**For Dewan PN Chopra & Co.**

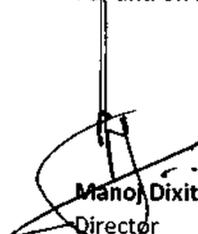
Chartered Accountants

Firm's Registration No 000472N

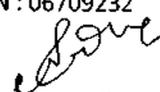
  
**Sandeep Dahiya**  
Partner  
Membership No. 505371

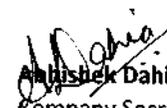


For and on behalf of the Board of Directors

  
**Manoj Dixit**  
Director  
DIN : 06709232

  
**Vineet Davis**  
Director  
DIN : 06709239

  
**Narayan Lodha**  
Chief Financial Officer

  
**Anshik Dahiya**  
Company Secretary

Place : Noida  
Date : 18 May 2019

Place : Noida  
Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Consolidated Statement of Profit and Loss for the period ended 31 March 2019**

Particulars	Notes	(Rs. in Lakhs)	
		Year ended 31 March 2019	Year ended 31 March 2018
<b>Revenue</b>			
Revenue from operations	27	20,818.32	36,781.25
Other income	28	244.82	191.73
<b>Total Revenue (I)</b>		<b>21,063.14</b>	<b>36,972.98</b>
<b>Expenses</b>			
EPC, O&M, Common infrastructure facility and site development expenses	29	18,814.09	24,381.06
Changes in inventories of work-in-progress	30	(6,381.46)	5,414.66
Employee benefits expense	31	3,065.04	3,561.93
Finance costs	32	9,965.38	6,514.84
Depreciation and amortisation expense	33	2,805.63	1,663.38
Other expenses	34	1,948.94	3,462.51
<b>Total Expenses (II)</b>		<b>30,217.62</b>	<b>44,998.38</b>
Less: Expenditure capitalised		(702.43)	-
<b>Net Expenses</b>		<b>29,515.19</b>	<b>44,998.38</b>
Share of profit/(loss) of associates (III)		(23.88)	(1.56)
<b>Profit before exceptional items and tax (I - II = III)</b>		<b>(8,475.93)</b>	<b>(8,026.96)</b>
Exceptional item (IV)		0.00	-
<b>Profit/(loss) before tax (I-II+III=IV)</b>		<b>(8,475.93)</b>	<b>(8,026.96)</b>
<b>Tax expense (V):</b>	44		
Current tax		-	-
MAT credit entitlement		-	-
Deferred tax	22	(3,179.13)	(2,365.14)
Taxation pertaining to earlier years		-	2.50
		<b>(3,179.13)</b>	<b>(2,362.64)</b>
<b>Profit/(loss) for the year (IV-V=VI)</b>		<b>(5,296.80)</b>	<b>(5,664.32)</b>
<b>Other Comprehensive income</b>			
<u>Items that will not be reclassified to profit or loss</u>			
Remeasurement of defined benefit obligation		88.70	82.55
Tax on above		(30.99)	(28.85)
<b>Total Other Comprehensive income (VII)</b>		<b>57.71</b>	<b>53.70</b>
<b>Total Comprehensive income for the year (VI + VII)</b>		<b>(5,239.09)</b>	<b>(5,610.62)</b>
Profit for the year attributable to :			
-Owners of the company		(5,253.39)	(5,664.32)
-Non- Controlling interests		(43.41)	-
		<b>(5,296.80)</b>	<b>(5,664.32)</b>
Other Comprehensive income for the year			
-Owners of the company		57.71	53.70
-Non- Controlling interests		-	-
		<b>57.71</b>	<b>53.70</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED****Consolidated Statement of Profit and Loss for the period ended 31 March 2019**

Particulars	Notes	(Rs. in Lakhs)	
		Year ended 31 March 2019	Year ended 31 March 2018
Total Comprehensive income for the year			
-Owners of the company		(5,195.68)	(5,610.62)
-Non- Controlling interests		(43.41)	-
		<u>(5,239.09)</u>	<u>(5,610.62)</u>
Basic earnings/(loss) per equity share of Rs. 10 each (in Rs.)	35	(21.57)	(11,328.63)
Diluted earnings/(loss) per equity share of Rs. 10 each (in Rs.)	35	(21.57)	(11,328.63)

The accompanying notes (1 to 51) are an integral part of the consolidated financial statements

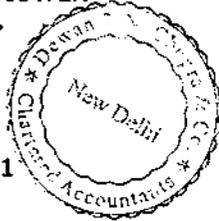
As per our report of even date attached

**For Dewan PN Chopra & Co.**

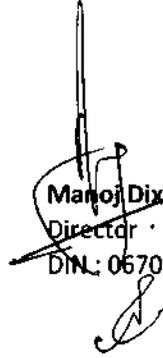
Chartered Accountants

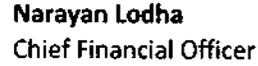
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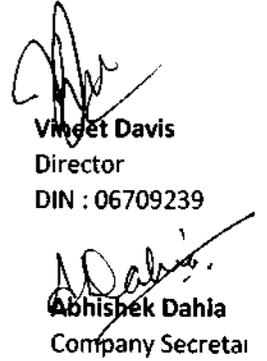
  
Sandeep Dahiya  
Partner  
Membership No. 505371



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

  
Manoj Dixit  
Director  
DIN: 06709232

  
Narayan Lodha  
Chief Financial Officer

  
Vinod Davis  
Director  
DIN : 06709239

  
Abhishek Dahia  
Company Secretary

Place : Noida

Date : 18 May 2019

Place : Noida

Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Consolidated statement of cash flows for the period ended 31 March 2019

(Rs. in lakhs)

Particulars	2018-2019	2017-2018
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year after tax	(5,296.80)	(5,664.32)
Adjustments for:		
Tax expense	(3,179.13)	(2,362.64)
Finance costs	9,965.38	6,514.84
Interest income	(238.16)	(156.77)
Share of (profit)/loss of associates	23.88	1.56
Liquidated damages	125.96	924.81
Allowance for expected credit losses	112.75	8.18
Depreciation and amortisation expenses	2,805.63	1,663.38
Impairment in value of inter-corporate deposit to subsidiary	-	-
Loss on sale / disposal of property, plant and equipment	-	-
Net (gains)/loss on Mutual Fund	(6.66)	
Net (gains)/loss on derivative portion of compound financial instrument	-	1,573.16
	<b>4,312.85</b>	<b>2,502.20</b>
Movements in working capital:		
(Increase)/Decrease in Trade receivables	8,591.31	13,429.25
(Increase)/Decrease in Inventories	(13,491.12)	7,056.09
(Increase)/Decrease in Loans	73.67	148.40
(Increase)/Decrease in Other financial assets	(8,685.93)	(11,436.82)
(Increase)/Decrease in Other assets	(9,006.50)	(3,601.39)
Increase/(Decrease) in Trade payables	2,780.22	(4,103.25)
Increase/(Decrease) in Other financial liabilities	1,205.90	670.57
Increase/(Decrease) in Other liabilities	9,962.03	3,123.57
Increase/(Decrease) in Provisions	(2.85)	76.57
<b>Cash generated from operations</b>	<b>(4,260.42)</b>	<b>7,865.19</b>
Income taxes paid	134.64	(1,362.66)
<b>Net cash generated from operating activities</b>	<b>(4,125.78)</b>	<b>6,502.53</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including changes in capital WIP, capital creditors/advances)	(12,212.70)	(16,658.83)
Investment in subsidiaries & associates	(7,000.00)	(6.00)
Movement in consideration payable for business combinations	-	25.00
Purchase of mutual funds	(127.00)	
Interest received	491.64	153.25
Inter corporate deposits given	(51.55)	(2.55)
Inter corporate deposits received back	3.61	-
Movement in bank deposits	1,855.35	(329.40)
<b>Net cash (used in) investing activities</b>	<b>(17,040.65)</b>	<b>(16,818.53)</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Consolidated statement of cash flows for the period ended 31 March 2019**

(Rs. in lakhs)

Particulars	2018-2019	2017-2018
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings	20,777.69	39,861.46
Repayment of non-current borrowings	(15,551.27)	(24,500.00)
Shares issued during the period	4.90	-
Proceeds from/(repayment of) short term borrowings (net)	23,079.70	(864.86)
Finance costs	(8,803.89)	(6,321.25)
<b>Net cash generated from financing activities</b>	<b>19,507.13</b>	<b>8,175.35</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,659.30)</b>	<b>(2,140.65)</b>
Cash and cash equivalents at the beginning of the year	1,722.71	3,863.36
<b>Cash and cash equivalents at the end of the year</b>	<b>63.41</b>	<b>1,722.71</b>

**Changes in liabilities arising from financing activities during the period ended 31 March 2019**

Particulars	Current borrowings	Non Current borrowings	Equity Share Capital
Opening Balance	16,145.96	81,177.90	5.00
Conversion of Debenture into Equity	-	(10,000.00)	5733.95
Cash flows	23,079.70	5,226.42	-
Interest expense	2,654.46	6,126.33	-
Interest paid	(1,117.30)	(7,312.15)	-
Unwinding cost of compounding financial instrument	-	2,333.73	-
<b>Closing Balance</b>	<b>40,762.82</b>	<b>77,552.24</b>	<b>5,738.95</b>

**Changes in liabilities arising from financing activities during the period ended 31 March 2018**

Particulars	Current borrowings	Non Current borrowings	Equity Share Capital
Opening Balance	18,117.29	62,583.09	5.00
Cash flows	(864.86)	15,361.46	-
Interest expense	1,399.34	4,804.31	-
Interest paid	(2,505.81)	(3,568.13)	-
Unwinding cost of compounding financial instrument	-	1,997.17	-
<b>Closing Balance</b>	<b>16,145.96</b>	<b>81,177.90</b>	<b>5.00</b>

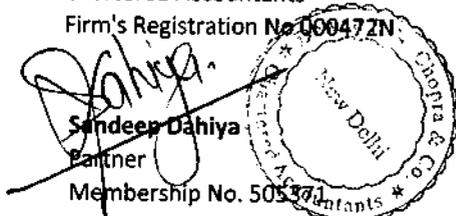
**Notes:**

- 1 The above statement of cash flows has been prepared and presented under the indirect method.
- 2 Components of cash and cash equivalents are as per Note 15
- 3 The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached  
**For Dewan PN Chopra & Co.**

Chartered Accountants

Firm's Registration No. 000472N



Sandeep Dahiya

Partner

Membership No. 505371

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

**Manoj Dixit**  
 Director  
 DIN: 06709232

**Narayan Lodha**  
 Chief Financial Officer

**Vinod Datta**  
 Director  
 DIN : 06709239

**Abhishek Dahiya**  
 Company Secretary

Place : Noida  
 Date : 18 May 2019

Place : Noida  
 Date : 18 May 2019

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Consolidated Statement of changes in equity for the period ended 31 March 2019

**A. Equity share capital**

(Rs. in Lakhs)

Particulars	
Balance as at 1 April 2017	5.00
Changes in equity share capital during the year	-
Balance as at 31 March 2018	5.00
Changes in equity share capital during the year	5,733.95
Balance as at 31 March 2019	5,738.95

**B. Other equity**

(Rs. in Lakhs)

Particulars	Reserves and Surplus			Total Other Equity	Non-Controlling Interests	Total
	Security Premium	Debenture Redemption Reserve	Retained earnings			
Balance as at 1 April 2017		1,800.00	695.36	2,495.36	-	2,495.36
Additions during the year:						
Profit for the year		-	(5,664.32)	(5,664.32)	-	(5,664.32)
Other comprehensive income for the year, net of income tax (*)		-	53.70	53.70	-	53.70
<b>Total comprehensive income for the year</b>			<b>(5,610.62)</b>	<b>(5,610.62)</b>	<b>-</b>	<b>(5,610.62)</b>
Transfer from retained earnings			-	-	-	-
Balance as at 31 March 2018		1,800.00	(4,915.26)	(3,115.26)	-	(3,115.26)
Additions during the year:						
(Loss) for the year	4214.98		(5,253.39)	(1,038.41)		(1,038.41)
Non- Controlling interest of Subsidiary					(43.41)	(43.41)
Non- Controlling On issue of Share					4.90	4.90
Other comprehensive income for the year, net of income tax (*)			57.71	57.71		57.71
<b>Total comprehensive income for the year</b>	<b>4,214.98</b>	<b>-</b>	<b>(5,195.68)</b>	<b>(980.70)</b>	<b>(38.51)</b>	<b>(1,019.21)</b>
Balance as at 31 March 2019	4,214.98	1,800.00	(10,110.94)	(4,095.96)	(38.51)	(4,134.47)

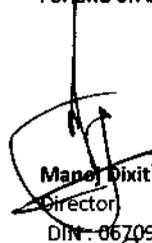
(\*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

The accompanying notes (1 to 51) are an integral part of the consolidated financial statements.

As per our report of even date attached  
 For Dewan PN Chopra & Co.  
 Chartered Accountants  
 Firm's Registration No. 00047/N

  
 Sandeep Dahia  
 Partner  
 Membership No. 505371  


For and on behalf of the Board of Directors

  
 Manoj Dixit  
 Director  
 DIN - 06709232  
  
 Narayan Lodha  
 Chief Financial Officer

  
 Vineet Davis  
 Director  
 DIN : 06709239  
  
 Abhishek Dahia  
 Company Secretary

Place : Noida  
 Date : 18 May 2019

Place : Noida  
 Date : 18 May 2019

## **Inox Wind Infrastructure Services Limited**

**Notes to the consolidated financial statements for the year ended 31 March 2019**

### **1. Group information**

Inox Wind Infrastructure Services Limited ("the Company") is a public limited company incorporated in India. These Consolidated Financial Statements ("these CFS") relate to the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interest in associates. The Group is engaged in the business of providing Erection, Procurement and Commissioning ("EPC") services, Operations and Maintenance ("O&M") services, wind farm development services and Common Infrastructure Facilities for WTGs. The Company's parent company is Inox Wind Limited which is a subsidiary of Gujarat Fluorochemicals Limited and its ultimate holding company is Inox Leasing and Finance Limited. The area of operations of the Group is within India.

The Company's registered office is located at Survey No. 1837 & 1834 ABS Tower, 2<sup>nd</sup> Floor, Old Padra Road, Vadodara- 390007, Gujarat, India.

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

#### **2.1 Statement of Compliance**

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

#### **2.2 Basis of Measurement**

These CFS are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

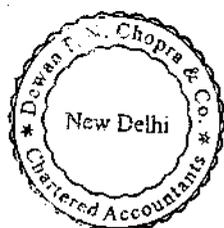
These CFS have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these CFS is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;



## **Inox Wind Infrastructure Services Limited**

### **Notes to the consolidated financial statements for the year ended 31 March 2019**

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### **2.3 Basis of Preparation and Presentation**

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These CFS have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

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

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

These CFS were authorized for issue by the Company's Board of Directors on 18 May 2019.

### **3. Basis of Consolidation and Significant Accounting Policies**

#### **3.1 Basis of consolidation**

These CFS incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a



## **Inox Wind Infrastructure Services Limited**

### **Notes to the consolidated financial statements for the year ended 31 March 2019**

subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries of the Group to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between subsidiaries of the Group are eliminated in full on consolidation.

#### **3.1.1 Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, gain or loss is recognised in profit or loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

#### **3.2 Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:



## **Inox Wind Infrastructure Services Limited**

### **Notes to the consolidated financial statements for the year ended 31 March 2019**

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent



**Inox Wind Infrastructure Services Limited**

**Notes to the consolidated financial statements for the year ended 31 March 2019**

consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**3.3 Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 3.2 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**3.4 Investment in associates**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these CFS using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that



**Inox Wind Infrastructure Services Limited**

**Notes to the consolidated financial statements for the year ended 31 March 2019**

associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.



When a Group company transacts with an associate of the Group, unrealised gains and losses resulting from such transactions are eliminated to the extent of the interest in the associate.

### **3.5 Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.5 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. No impact of the adoption of the standard on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.
- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:  
Revenue from EPC is recognised on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised when the wind farm site is developed and transferred to the customers in terms of the respective contracts.
- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.



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- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

#### **Use of significant judgments in revenue recognition**

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
  - The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
  - The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
  - Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.



### **3.6 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The leasing transaction of the Group comprise of only operating leases.

#### **3.6.1 The Group as lessee**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### **3.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **3.8 Employee benefits**

#### **3.8.1 Retirement benefit costs**

Recognition and measurement of defined contribution plans:

Payments to defined contribution retirement benefit plan viz. government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Recognition and measurement of defined benefit plans:

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:



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- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

#### **3.8.2 Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave, bonus etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

#### **3.9 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### **3.9.1 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years, items that are never taxable or deductible and tax incentives. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### **3.9.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally 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



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accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary differences can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**3.9.3 Presentation of current and deferred tax:**

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

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

**3.10 Property, plant and equipment**

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition PPE are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.



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Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### **3.11 Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).



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Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

#### **Estimated useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follows:

- Software 6 years

### **3.12 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **3.13 Inventories**



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Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis.

Cost of inventories comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **3.14 Provisions and contingencies**

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent period, such contingent liabilities are measured at the higher of the amounts that would be recognised in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 Revenue, if any.

#### **3.15 Financial instruments**

Financial assets and financial liabilities are recognised when a group member becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.



**A) Financial assets**

**a) Initial recognition and measurement:**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and 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 Group classifies a financial asset in accordance with the below criteria:

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

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

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

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

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

This category applies to cash and bank balances, trade receivables, loans, certain investments and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**ii. Financial assets measured at FVTOCI:**



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A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVTOCI.

The Group does not have any financial assets in this category.

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

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### **d) Derecognition:**

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

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

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

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been



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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.

**e) Impairment of financial assets:**

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

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.



**B) Financial liabilities and equity instruments**

Debt and equity instruments issued by a Group member are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**i. Equity instruments:-**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group member are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

**ii. Compound financial instruments:-**

Compound financial instruments issued by the Company comprise of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder. The debentures will be converted into equity shares at the fair value on the date of conversion.

The fair value of the liability component of a compound financial instrument is determined using a market interest rate of a similar liability that does not have an equity conversion option. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to equity portion of the instrument net of derivatives if any. The equity component is recognised and included in shareholder's equity (net of deferred tax) and is not subsequently re-measured. The derivative component is recognized at fair value and subsequently carried at fair value through profit or loss.

Interest related to the financial liability is recognized in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

**iii. Financial Liabilities:-**

**a) Initial recognition and measurement:**

Financial liabilities are recognised when a Group member becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

**b) Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Group has not designated any financial liability as at FVTPL other than derivative instrument.



**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.

**3.16 Derivative financial instruments and hedge accounting**

**a) Fair value hedge:**

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss.

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

Note 37 sets out details of the fair values of the derivative instruments used for hedging purposes.

**b) Cash flow hedges**

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

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

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



## **Inox Wind Infrastructure Services Limited**

### **Notes to the consolidated financial statements for the year ended 31 March 2019**

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

#### **3.17 Earnings Per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **3.18 Recent accounting pronouncements**

- a) On 30 March 2019, the ministry of Corporate Affairs has notified Ind AS 116, 'Lease'. Ind AS 116 will replace the existing lease standard Ind AS 17 Leases and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

#### **4 Critical accounting judgements and use of estimates**

In application of Group's accounting policies, which are described in Note 3, the directors of the Holding Company are required 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 key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



**a) Useful lives of Property, Plant & Equipment (PPE):**

The Group has adopted useful lives of PPE as described in Note 3.10 above. The Group reviews the estimated useful lives of PPE at the end of each reporting period.

**b) Fair value measurements and valuation processes**

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Where necessary, the Group engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 37.

**c) Other assumptions and estimation uncertainties, included in respective notes are as under:**

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Group prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Group. Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits – see Note 44
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 38
- Assessment of the status of various legal cases/claims and other disputes where the Group does not expect any material outflow of resources and hence these are reflected as contingent liabilities. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 40
- Impairment of financial assets – see Note 37



**INOX WIND INFRASTRUCTURE SERVICES LIMITED****Notes to the consolidated financial statements for the period ended 31 March 2019****5 : Property, plant and equipment**

	(Rs. in Lakhs)	
	As at	As at
	<u>31 March 2019</u>	<u>31 March 2018</u>
<b>Carrying amounts of:</b>		
Freehold land	961.14	910.27
Road	1,351.87	1,421.97
Plant and equipment	48,690.45	47,401.34
Furniture and fixtures	154.92	175.73
Vehicles	1.88	2.22
Office equipment	30.75	39.99
<b>Total</b>	<b><u>51,191.01</u></b>	<b><u>49,951.52</u></b>

**Note: Assets mortgaged/pledged as security for borrowings:**

(Rs. in Lakhs)

Carrying amounts of:	As at	As at
	31 March 2019	31 March 2018
Freehold land	961.14	910.27
Buildings	1,351.87	1,421.97
Plant and equipment	48,690.45	47,401.34
Furniture and fixtures	154.92	175.73
Vehicles	1.88	2.22
Office equipment	30.75	39.99
Capital Work-in progress	-	-
<b>Total</b>	<b>51,191.01</b>	<b>49,951.52</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

**5A : Property, plant and equipment**

(Rs. in Lakhs)

Particulars	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Cost or deemed cost:</b>							
Balance as at 1 April 2017	910.27	1,103.93	26,237.58	106.46	2.18	118.65	28,479.07
Additions	-	940.43	23,360.79	97.86	0.66	8.43	24,408.17
Borrowing cost capitalised	-	-	113.90	-	-	-	113.90
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>910.27</b>	<b>2,044.36</b>	<b>49,712.27</b>	<b>204.32</b>	<b>2.84</b>	<b>127.08</b>	<b>53,001.14</b>
Additions	50.87	519.32	3,450.00	1.35	-	15.87	4,037.41
Borrowing cost capitalised	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>961.14</b>	<b>2,563.68</b>	<b>53,162.27</b>	<b>205.67</b>	<b>2.84</b>	<b>142.95</b>	<b>57,038.55</b>

<b>Accumulated Depreciation:</b>							
Balance as at 1 April 2017	-	301.62	1,022.58	14.30	0.35	55.16	1,394.01
Eliminated on disposal of assets	-	-	-	-	-	-	-
Depreciation expense for the year	-	320.77	1,288.35	14.29	0.27	31.93	1,655.61
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>622.39</b>	<b>2,310.93</b>	<b>28.59</b>	<b>0.62</b>	<b>87.09</b>	<b>3,049.62</b>
Depreciation expense for the year	-	589.42	2,160.89	22.16	0.34	25.11	2,797.92
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>1,211.81</b>	<b>4,471.82</b>	<b>50.75</b>	<b>0.96</b>	<b>112.20</b>	<b>5,847.54</b>

(Rs. in Lakhs)

Net carrying amount	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>As at 31 March 2018</b>	910.27	1,421.97	47,401.34	175.73	2.22	39.99	49,951.52
<b>As at 31 March 2019</b>	961.14	1,351.87	48,690.45	154.92	1.88	30.75	51,191.01



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

(Rs. in Lakhs)

	As at 31 March 2019	As at 31 March 2018
<b>6 : Intangible assets</b>		
<i>Carrying amounts of:</i>		
Software	9.92	16.21

**Details of Intangible Assets**

Particulars	Software	Total
<b>Cost or Deemed Cost</b>		
Balance as at 1 April 2017	39.37	39.37
Additions	-	-
Balance as at 31 March 2018	39.37	39.37
Additions	1.44	1.44
Balance as at 31 March 2019	40.81	40.81

<b>Accumulated amortisation</b>		
Balance as at 1 April 2017	15.39	15.39
Amortisation expense for the year	7.77	7.77
Balance as at 31 March 2018	23.16	23.16
Amortisation expense for the year	7.73	7.73
Balance as at 31 March 2019	30.89	30.89

Net carrying amount	Software	Total
As at 31 March 2018	16.21	16.21
As at 31 March 2019	9.92	9.92



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Notes to the consolidated financial statements for the period ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>7: Investment accounted for using the equity method</b>		
<b>Investment in associates</b>		
<b>Investment in equity Instruments (unquoted)</b>		
<b>- in fully paid-up equity shares of Rs. 10 each</b>		
Wind Two Renergy Private Limited- 3,25,10,000 (31 March 2018: 10,000) equity shares	3,248.09	-
Wind Four Renergy Private Limited- 1,85,10,000 (31 March 2018: 10,000) equity shares	1,848.39	-
Wind Five Renergy Private Limited- 1,85,10,000 (31 March 2018: 10,000) equity shares	1,834.64	-
Wind One Renergy Private Limited- 10,000 (31 March 2018: Nil) equity shares #	-	-
Wind Three Renergy Private Limited- 10000 (31 March 2018: Nil) equity shares #	-	-
Nani Virani Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares*	-	0.65
Ravapar Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares*	-	0.65
Khatiyu Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares*	-	0.65
	<b>6,931.12</b>	<b>1.95</b>

# The Group has entered binding agreement with above companies. In view of the provision of binding agreement, The Group has ceased to exercise control over companies. (Refer Note No. 45)

\* The above companies have ceased to be associates during the year and have become subsidiary of the Group. (Refer Note No. 45)

**8 : Other Investments**

Financial assets carried at FVTPL

Investments in mutual funds (unquoted, fully paid up)

(face value Rs. 10 each)

35,952,883 units (31 March 2018: Nil) of ABSL Saving Fund - Growth

Direct

133.66

**133.66**



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the period ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>7 :Investment accounted for using the equity method</b>		
<b>Investment in associates</b>		
<b>Investment in equity instruments (unquoted)</b>		
- in fully paid-up equity shares of Rs. 10 each		
10,000 equity shares (31 March 2017: Nil) of Wind Two Renergy Pvt. Ltd.	3,248.09	0.65
10,000 equity shares (31 March 2017: Nil) of Wind Four Renergy Pvt. Ltd.	1,848.39	0.65
10,000 equity shares (31 March 2017: Nil) of Wind Five Renergy Pvt. Ltd.	1,834.64	0.65
10,000 equity shares (31 March 2017: Nil) of Wind One Renergy Pvt. Ltd.	-	
10,000 equity shares (31 March 2017: Nil) of Wind Three Renergy Pvt. Ltd.	-	
	<u>6,931.12</u>	<u>1.95</u>
<b>8: Other investments</b>		
<b>Non-current</b>		
Investments in Equity Instruments of subsidiary	-	-
<b>Investment in Government Securities (at amortised cost)</b>		
National Saving Certificates	-	-
Less: Provision for dimunition in investment	0.00	0.00
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Total Investments</b>	<u><u>6,931.12</u></u>	<u><u>1.95</u></u>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	-	1.95
Aggregate amount of impairment in value of investments	-	-
<b>Category-wise other investments – as per Ind AS 109 classification</b>		
- at amortised cost	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Investment in National Savings Certificates (NSC) carried interest @ 8.60% p.a. Interest was compounded on yearly basis and receivable on maturity. These NSCs' were pledged with Government authorities and held in the name of a director of the Company.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>9 : Loans (Unsecured, considered good)</b>		
<b><u>Non-current</u></b>		
Security deposits	1,192.83	1,266.50
<b>Total</b>	<b>1,192.83</b>	<b>1,266.50</b>
<b><u>Current</u></b>		
<b>Loans to related parties (Refer Note 45)</b>		
Inter-corporate deposits to associates, considered good	52.39	2.64
	<b>52.39</b>	<b>2.64</b>
<b>Total</b>	<b>52.39</b>	<b>2.64</b>
<b>10 : Other financial assets</b>		
<b><u>Non-current</u></b>		
Non-current bank balances (from Note 16)	226.65	257.73
Unbilled revenue (See note below)	30,638.36	24,887.46
Other recoverable	235.62	81.75
<b>Total</b>	<b>31,100.63</b>	<b>25,226.94</b>
<b><u>Current</u></b>		
Unbilled revenue (See note below)	6,740.89	4,028.92
Insurance claims	63.02	-
<b>Total</b>	<b>6,803.91</b>	<b>4,028.92</b>
Note: Unbilled revenue is classified as financial asset as right to consideration is unconditional upon passage of time.		
<b>11: Income tax assets (net)</b>		
<b><u>Non-current</u></b>		
Income tax paid (net of provisions)	1,600.38	1,786.58
<b>Total</b>	<b>1,600.38</b>	<b>1,786.58</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the period ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>12 : Other assets</b>		
<b><u>Non-current</u></b>		
Capital advances	1,638.64	246.09
Balances with government authorities		
- Balances in service tax, VAT and GST accounts	569.22	763.57
Prepayments - others	-	0.20
<b>Total</b>	<b>2,207.86</b>	<b>1,009.86</b>
<b><u>Current</u></b>		
Advance to suppliers	13,674.53	7,737.31
Balances with government authorities		
- Balances in Service tax , VAT & GST accounts	4,101.42	1,059.47
Prepayments - others	1,063.57	741.46
Capital Advances	-	
<b>Total</b>	<b>18,839.52</b>	<b>9,538.24</b>
<b>13: Inventories</b> (at lower of cost and net realisable value)		
Construction materials	16,994.94	9,883.66
Work-in-progress	24,546.64	18,170.92
<b>Total</b>	<b>41,541.58</b>	<b>28,054.58</b>
<b>14 : Trade receivables</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b><u>Current</u></b>		
Considered good	18,709.25	24,396.29
Considered doubtful	22.90	157.18
<b>Sub-total</b>	<b>18,732.15</b>	<b>24,553.47</b>
Less: Allowance for expected credit losses	269.93	157.18
<b>Total</b>	<b>18,462.22</b>	<b>24,396.29</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>15: Cash and cash equivalents</b>		
Balances with banks		
in Current accounts	59.07	304.45
in Cash credit accounts	0.69	5.70
Cash on hand	3.65	1.36
Bank deposits with original maturity for less than 3 months	-	1,411.20
<b>Total</b>	<b>63.41</b>	<b>1,722.71</b>
<b>16: Other bank balances</b>		
Bank deposits with original maturity period of more than 3 months but less than 12 months	519.60	1,978.51
Bank deposits with original maturity for more than 12 months	660.59	1,026.18
	<u>1,180.19</u>	<u>3,004.69</u>
Less: Amount disclosed under Note 10 - 'Other financial assets-Non current'	226.65	257.73
<b>Total</b>	<b>953.54</b>	<b>2,746.96</b>
<b>Notes:</b>		
Other bank balances include margin money deposits kept as security against bank guarantee as under:		
a) Bank deposits with original maturity for more than 3 months but less than 12 months	19.87	1,857.67
b) Bank deposits with original maturity for more than 12 months	522.16	513.85



**INOX WIND INFRASTRUCTURE SERVICES LIMIT**
**Notes to the consolidated financial statements for the period ended 31 March 2019**
**17: Equity share capital**
**(Rs. in Lakhs)**

	As at 31 March 2019	As at 31 March 2018
<b>Authorised capital</b>		
6,00,00,000 (31 March 2018: 50,000) equity shares of Rs. 10 each	6,000.00	5.00
<b>Issued, subscribed and paid up</b>		
5,73,89,450 (31 March 2018: 50,000) equity shares of Rs. 10 each	5,738.95	5.00
	<b>5,738.95</b>	<b>5.00</b>

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

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
Outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares issued during the year	573,39,450	5,733.95	-	-
<b>Outstanding at the end of the year</b>	<b>573,89,450</b>	<b>5,738.95</b>	<b>50,000</b>	<b>5.00</b>

\* MCA filing under the applicable provisions of Companies Act 2013 related to increase in authorised share capital and fresh issue of equity capital are under process.

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

The Company has only one class of equity shares having par value of Rs. 10 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 2019		As at 31 March 2018	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
Inox Wind Limited(*)	573,89,450	5,738.95	50,000	5.00

**(d) Details of shares held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Inox Wind Limited(*)	573,89,450	100%	50,000	100%

(\*) Including shares held through nominee shareholders.

**(e) For the terms of debentures convertible into equity shares and the earliest date of conversion, Refer Note 19(e)**

**(f) Allotment of Equity Shares by way of Conversion**

During the year, the company has converted its 1st tranche of debentures amounting to Rs. 10,000.00 lakhs into equity at a share price of Rs. 17.44/-



**INOX WIND INFRASTRUCTURE SERVICES LIMITED****Notes to the consolidated financial statements for the period ended 31 March 2019****18: Other equity**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Debenture redemption reserve	1,800.00	1,800.00
Security Premium Reserve	4,214.98	-
Retained earnings	(10,110.94)	(4,915.26)
<b>Total</b>	<b>(4,095.96)</b>	<b>(3,115.26)</b>

**18 (i) Debenture redemption reserve**

Balance at beginning of the year	1,800.00	1,800.00
Transfer from retained earnings	-	-
<b>Balance at the end of the year</b>	<b>1,800.00</b>	<b>1,800.00</b>

The Company has issued redeemable non-convertible debentures. Accordingly, as required by the Companies (Share Capital and Debentures) Rules, 2014 (as amended), Debenture Redemption Reserve (DRR) is created out of profits available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and will be reclassified to retained earnings on redemption of debentures.

**18 (ii) Retained earnings:**

Surplus/(Deficit) at beginning of the year	(4,915.26)	695.36
Profit/(loss) for the year	(5,253.39)	(5,664.32)
Other comprehensive income for the year, net of income tax	57.71	53.70
Transfer to Debenture redemption reserve	-	-
<b>Balance at the end of the year</b>	<b>(10,110.94)</b>	<b>(4,915.26)</b>

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013 and is subject to levy of dividend distribution tax, if any. Thus, the amounts reported above may not be distributable in entirety.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>19: Non current borrowings</b>		
<b>Secured loans</b>		
<b>a) Debentures</b>		
Redeemable non convertible debentures	15,858.59	26,084.09
Optionally convertible debentures - Liability portion of compound financial instrument	37,217.74	44,884.01
<b>b) Rupee term loans</b>		
From banks	24,475.91	10,209.80
<b>Total</b>	<b>77,552.24</b>	<b>81,177.90</b>
Less: Disclosed under Note 20: Other current financial liabilities -		
- Current maturities of non-current borrowings	(23,811.21)	(24,889.41)
- Interest accrued	(1,112.50)	(1,432.43)
<b>Total</b>	<b>52,628.53</b>	<b>54,856.06</b>

For terms of repayment and securities etc. Refer Note 19



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

**19: Terms of repayment and securities etc.****a) Debentures (secured):-**

i) 3000 non convertible redeemable debentures of Rs. 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9% p.a. payable semi annually. The maturity pattern of the debentures is as under:

Month	(Rs. in Lakhs)
	Principal
Sep-19	5,000.00
Mar-20	5,000.00
Sep-20	5,000.00
	<b>15,000.00</b>

The above debentures are secured by first ranking exclusive charge by way of hypothecation of fixed assets and certain immovable assets of the Company and unconditional and irrevocable guarantee by Gujarat Fluorochemicals Limited.

**b) Rupee term loan from Axis Finance Ltd:-**

Rupee term loan is secured by first charge of lien of FMP/other select debt mutual funds acceptable to Axis finance provided by Gujarat Fluorochemicals Limited and carries interest @ 8.5% p.a. Principal repayment pattern of the loan is as under:

Month	(Rs. in Lakhs)
	Principal
Aug-20	5,056.16
	<b>5,056.16</b>

**c) Rupee term loan from Yes Bank Ltd:-**

Rupee term loan taken from Yes Bank Ltd is secured by unconditional and irrevocable corporate guarantee from Gujarat fluorochemicals Limited and second charge on existing and future movable fixed assets of the company and carries interest @ 9.60% p.a. Principal repayment pattern of the loan is as under:

Month	(Rs. in Lakhs)
	Principal
Jul-19	500.0
Jan-20	2,000.0
Jul-20	2,000.0
Jan-21	2,500.0
Jul-21	2,500.0
	<b>9,500.00</b>

**d) Rupee term loan from Aditya Birla Finance Ltd:-**

Rupee term loan is taken from Aditya Birla Finance Ltd is secured by second pari passu charges on the current assets, cash flows and receivables both present & Future of the company and carries interest @ 10% p.m. Principal repayment pattern of the loan is as under:



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

**19: Terms of repayment and securities etc. (Continue)**

Month	(Rs. in Lakhs)
	Principal
Apr-19	148.7
Jul-19	300.0
Oct-19	300.0
Jan-20	300.0
Apr-20	300.0
Jul-20	550.0
Oct-20	550.0
Jan-21	550.0
Apr-21	550.0
Jul-21	700.0
Oct-21	700.0
Jan-22	700.0
Apr-22	700.0
Jul-22	800.0
Oct-22	800.0
Jan-23	800.0
Apr-23	800.0
Jul-23	400.0
<b>Total</b>	<b>9,948.73</b>

**e) Debentures (unsecured) :-**

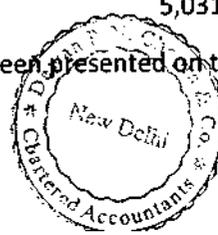
The debentures of Rs. 1,000 each, fully paid up, are issued to the holding company, at par, and carry interest @ 4% p.a. The entire amount of debentures is convertible into fully paid up equity shares of Rs. 10 each at the option of the debenture holder, at the end of the term of the respective debentures. The equity shares will be issued at the price as per the valuation report to be obtained at each conversion date. If not converted, the debentures are redeemable at par. The maturity pattern of the debentures is as under:

Debenture Series	Date of allotment	Maturity Period	Number of Debentures	Amount (Rs. in Lakh)
Series E	17th Nov.2015	7 years	10,00,000	10,000.00
Series D	5th Nov.2015	6 years	10,00,000	10,000.00
Series C	3rd Nov.2015	5 years	10,00,000	10,000.00
Series B	29th Oct.2015	4 years	10,00,000	10,000.00
<b>Total</b>			<b>40,00,000</b>	<b>40,000.00</b>

The optionally convertible debentures are presented in the balance sheet as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Face value of debentures issued	40,000.00	50,000.00
Less: Equity component of optionally convertible debentures	5,031.62	5,031.62
	34,968.38	44,968.38
Less: Derivative portion	1,517.12	2,651.24
	33,451.26	42,317.14
Add: Effect of unwinding cost, gain/loss on derivative portion and interest paid	3,766.48	2,566.87
	37,217.74	44,884.01
Equity component of optionally convertible debentures	5,031.62	5,031.62

\* The equity component of optionally convertible debentures has been presented on the face of the balance sheet net of deferred tax of Rs. 1741.34 Lakhs.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the period ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>20: Other financial liabilities</b>		
<b><u>Non-current</u></b>		
Derivative financial liabilities	1,517.12	2,651.24
<b>Total</b>	<b>1,517.12</b>	<b>2,651.24</b>
<b><u>Current</u></b>		
Current maturities of non-current borrowings (Refer Note 19)	23,811.21	24,889.41
Interest accrued	2,919.48	1,702.25
Creditors for capital expenditure	3,118.88	3,957.70
Consideration payable for business combinations	1,198.00	1,248.00
Employee dues payables	615.70	659.22
Expenses payables	66.37	59.24
<b>Total</b>	<b>31,729.63</b>	<b>32,515.82</b>
<b>21: Provisions</b>		
<b><u>Non-current</u></b>		
<b>Provision for employee benefits (Refer Note 38)</b>		
Gratuity	121.33	143.82
Compensated absences	53.85	89.08
<b>Total</b>	<b>175.18</b>	<b>232.90</b>
<b><u>Current</u></b>		
<b>Provision for employee benefits (Refer Note 38)</b>		
Gratuity	3.72	7.16
Compensated absences	38.02	68.41
<b>Total</b>	<b>41.74</b>	<b>75.57</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the period ended 31 March 2019**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>22. Deferred tax assets (Net)</b>		
Deferred tax assets	3,220.03	71.89
Deferred tax liabilities	-	-
	(3,220.03)	(71.89)
Less: MAT Credit entitlement, Transferred from Tax Assets	-	-
<b>Total</b>	<b>3,220.03</b>	<b>71.89</b>
<b>23: Other Liabilities</b>		
<b><u>Non-current</u></b>		
Income received in advance	9,962.25	5,493.12
<b>Total</b>	<b>9,962.25</b>	<b>5,493.12</b>
<b><u>Current</u></b>		
Advances received from customers	9,707.95	4,075.37
Income received in advance	1,320.35	1,197.66
Statutory dues and taxes payable	1,418.90	1,076.30
<b>Total</b>	<b>12,447.20</b>	<b>6,349.33</b>
<b>24: Current borrowings</b>		
<b>Unsecured borrowings</b>		
<b>From banks</b>		
- Cash Credit*	4,878.44	-
Un secured Loan from others (interest free)	2,303.00	-
Inter-corporate deposits from holding company**	33,581.38	16,145.96
	40,762.82	16,145.96
Less: Disclosed under Note 20: Other current financial liabilities -		
- Interest accrued	(1,806.98)	(269.82)
<b>Total</b>	<b>38,955.84</b>	<b>15,876.14</b>
<b><u>Terms of repayment</u></b>		

\* Cash credit taken from yes bank carries interest @ MCLR plus 0.35% against corporate guarantee of Gujarat Fluorochemical Limited.

\*\*Inter-corporate deposit from holding company is unsecured, repayable on demand and carries interest @ 12.00% p.a.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
<b>25: Trade payables</b>		
<b><u>Current</u></b>		
- Dues to micro and small enterprises	61.65	69.26
- Dues to others	37,742.84	32,568.57
<b>Total</b>	<b>37,804.49</b>	<b>32,637.83</b>

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

Particulars	2018-2019	2017-2018
Principal amount due to suppliers under MSMED Act at the year end	61.65	69.26
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	40.19	11.04
Payment made to suppliers (other than interest) beyond the appointed date during the year	103.46	430.87
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	13.04	9.13
Interest accrued and not paid to suppliers under MSMED Act up to the year end	131.00	77.78

**Note:** The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Group.

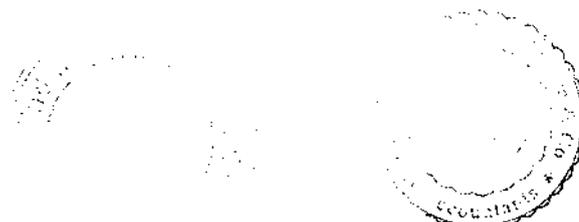
**26: Current tax liabilities (Net)****Current tax liability**

Provision for Income tax (net of payments)

**Total**

0.01

0.08

**0.01****0.08**

**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the year ended 31 March 2019**
**22A : Deferred tax assets/(liabilities)**
**Year ended 31 March 2019**
**Deferred tax assets/(liabilities) in relation to:**
**(Rs. in Lakhs)**

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(0.93)	948.80	-	-	947.87
Straight lining of O & M revenue	(10,085.29)	(2,648.95)	-	-	(12,734.24)
Allowance for expected credit losses	49.00	37.32	-	-	86.32
Defined benefit obligations	107.79	(0.99)	(30.99)	-	75.81
Equity component of Compound financial instrument	(1,741.34)	(16.91)	-	-	(1,758.25)
Business loss	8,742.65	4,420.32	-	-	13,162.97
Other deferred tax assets	747.99	439.54	-	-	1,187.53
Other deferred tax liabilities	(68.03)	-	-	-	(68.03)
	<b>(2,248.16)</b>	<b>3,179.13</b>	<b>(30.99)</b>	-	<b>899.98</b>
MAT credit entitlement	2,320.05	-	-	-	2,320.05
<b>Total</b>	<b>71.89</b>	<b>3,179.13</b>	<b>(30.99)</b>	-	<b>3,220.03</b>

**Year ended 31 March 2018**
**Deferred tax assets/(liabilities) in relation to:**
**(Rs. in Lakhs)**

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(502.65)	501.72	-	-	(0.93)
Intangible assets	-	-	-	-	-
Straight lining of O & M revenue	(5,978.16)	(4,107.13)	-	-	(10,085.29)
Allowance for expected credit losses	47.53	1.47	-	-	49.00
Defined benefit obligations	108.82	27.82	(28.85)	-	107.79
Equity component of Compound financial instrument	(1,741.34)	-	-	-	(1,741.34)
Business loss	3,409.24	5,333.41	-	-	8,742.65
Other deferred tax assets	61.95	686.04	-	-	747.99
Other deferred tax liabilities	-	(68.03)	-	-	(68.03)
	<b>(4,594.61)</b>	<b>2,375.30</b>	<b>(28.85)</b>	-	<b>(2,248.16)</b>
MAT credit entitlement	2,320.05	-	-	-	2,320.05
<b>Total</b>	<b>(2,274.56)</b>	<b>2,375.30</b>	<b>(28.85)</b>	-	<b>71.89</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**22A : Deferred tax balances**

The Group has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

Nature of tax loss	Financial Year	Gross amount as at 31 March 2019 (Rs. in Lakhs)	Expiry date
Business Losses	2015-16	364.23	2023-24
	2016-17	451.81	2023-24
	2017-18	868.89	2025-26
	2018-19	1,112.46	2026-27
Unabsorbed depreciation	2015-16	1.51	NA
	2016-17	2.00	NA
	2017-18	3.10	NA
	2018-19	2.64	NA

No deferred tax liability has been recognised in respect of undistributed earnings of the subsidiaries as in the opinion of the management, the parent is able to control the timing of the temporary differences and the temporary differences will not reverse in the foreseeable future.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

Particulars	(Rs. in Lakhs)	
	2018-2019	2017-2018
<b>27: Revenue from Operations</b>		
Sale of services	20,763.34	32,947.68
Other operating revenue	54.98	3,833.57
<b>Total</b>	<b>20,818.32</b>	<b>36,781.25</b>
<b>28: Other Income</b>		
<b>a) Interest income</b>		
<b>Interest income calculated using the effective interest method:</b>		
On fixed deposits with banks	124.65	155.57
On Inter-corporate deposits	1.71	0.09
On long term investment	-	-
<b>Other interest income</b>		
On Income tax refunds	111.80	1.11
	<b>238.16</b>	<b>156.77</b>
<b>b) Other gains</b>		
Net gains on derivative portion of compound financial instrument	-	-
<b>c) Gain on investment carried at FVTPL</b>		
Gain on fair valuation of investment in Mutual Fund	6.66	
<b>d) Other non operating income</b>		
Insurance claims	-	34.96
<b>Total</b>	<b>244.82</b>	<b>191.73</b>



## INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2019

(Rs. in Lakhs)

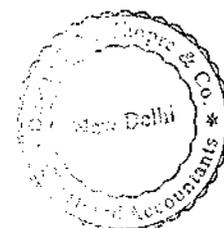
Particulars	2018-2019	2017-2018
<b>29: EPC, O&amp;M, Common infrastructure facility and site development expenses</b>		
Construction material consumed	1,359.56	544.80
Cost of booster packages	-	3,642.86
Equipments & machinery hire charges	4,286.49	2,678.51
Subcontractor cost	5,036.22	5,253.69
Cost of lands	627.76	3,278.55
O&M repairs	2,195.95	3,361.10
Legal & professional fees & expenses	337.38	429.90
Stores and spares consumed	125.82	364.15
Rates & taxes and regulatory fees	442.87	379.40
Rent	366.46	346.08
Labour charges	121.25	131.98
Insurance	548.15	416.63
Security charges	1,300.46	1,581.32
Travelling & conveyance	1,771.51	1,878.50
Miscellaneous expenses	294.21	93.59
<b>Total</b>	<b>18,814.09</b>	<b>24,381.06</b>
<b>30: Changes in inventories of work in progress</b>		
<b>Opening inventory</b>		
Project development, erection and commissioning work	17,788.52	23,203.18
Common infrastructure facilities	382.40	382.40
	<b>18,170.92</b>	<b>23,585.58</b>
On acquisition through business combinations	-	-
<b>Less : Closing inventory</b>		
Project development, erection and commissioning work	24,169.97	17,788.52
Common infrastructure facilities	382.41	382.40
	<b>24,552.38</b>	<b>18,170.92</b>
<b>(Increase) / decrease in stock</b>	<b>(6,381.46)</b>	<b>5,414.66</b>
<b>31: Employee benefits expense</b>		
Salaries and wages	2,467.92	2,861.41
Contribution to provident and other funds	93.09	105.05
Gratuity	75.40	95.53
Staff welfare expenses	428.63	499.94
<b>Total</b>	<b>3,065.04</b>	<b>3,561.93</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

	(Rs. in Lakhs)	
Particulars	2018-2019	2017-2018
<b>32: Finance costs</b>		
<b>a) Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	6,780.79	4,203.65
Interest to related parties	-	-
<b>b) Interest on income tax &amp; Others</b>	51.04	53.03
<b>c) Other borrowing costs</b>	-	332.27
Bank Guarantee Charges	445.05	
Corporate guarantee Charges	433.82	
<b>d) Unwinding cost of compounding financial instrument</b>	2,333.73	1,997.17
	<b>10,044.43</b>	<b>6,586.12</b>
Less: Interest capitalized	79.05	71.28
<b>Total</b>	<b>9,965.38</b>	<b>6,514.84</b>
The capitalisation rate of funds borrowed is 12% p.a. (previous year 12% p.a.)		
<b>33: Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	2,797.82	1,655.61
Amortisation of intangible assets	7.81	7.77
<b>Total</b>	<b>2,805.63</b>	<b>1,663.38</b>
<b>34: Other Expenses</b>		
Directors' sitting fees	10.40	8.80
Rent	36.44	33.85
Legal and professional fees and expenses	146.22	188.44
Allowance for expected credit losses	112.75	8.18
Sales commission	-	10.47
Payment to Auditors	5.95	
Liquidated damages	0.50	924.81
Net loss on derivative portion of compound financial instrument	694.92	1,573.16
Loss on sale / disposal of property, plant and equipment	-	-
Interest on TDS	3.82	
Liquidated damages	525.96	
Miscellaneous expenses	411.98	714.80
<b>Total</b>	<b>1,948.94</b>	<b>3,462.51</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**35. Earnings per share**

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b><u>Basic earning/(loss) per share</u></b>		
Profit/(loss) for the year (Rs. in Lakhs)	(5,296.80)	(5,664.32)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos)	245,56,724	50,000
Nominal value of each share (in Rs.)	10.00	10.00
Basic earnings/(loss) per share (Rs.)	(21.57)	(11,328.63)
<b><u>Diluted earning/(loss) per share</u></b>		
Profit/(loss) for the year (Rs. in Lakhs)	(5,296.80)	(5,664.32)
Add: Expenses on debentures	1,518.23	1,997.17
Adjusted Profit/(loss) for diluted EPS	(3,778.57)	(3,667.15)
Weighted average number of equity shares- (Nos.)	2867,47,250	4348,32,609
Nominal value of each share (in Rs.)	10.00	10.00
Diluted earnings/(loss) per share (Rs.)	(21.57)	(11,328.63)

Note: The anti-dilutive effect for the year ended 31 March 2019 &amp; 31 March 2018 is ignored.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**36. Capital Management**

For the purpose of the Group's capital Management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Group.

The Group's capital Management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

The gearing ratio at the end of the reporting period was as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Total debt	1,18,315.06	97,323.86
Less: Cash and bank balances (excluding bank deposits kept as lien)	701.57	2,355.88
<b>Net debt</b>	<b>1,17,613.49</b>	<b>94,967.98</b>
Total Equity	4,894.75	180.02
<b>Net debt to equity ratio</b>	<b>2402.85%</b>	<b>52754.13%</b>

In order to achieve this overall objective, the Group's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**37. Financial Instruments**

**(i) Categories of financial Instruments**

	As at 31 March 2019	As at 31 March 2018
<b>(a) Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	1,243.60	4,727.40
(b) Trade receivables	18,462.22	24,396.29
(c) Loans	1,245.22	1,269.14
(d) Investments	-	-
(e) Other financial assets	37,677.89	28,998.13
	<b>58,628.93</b>	<b>59,390.96</b>
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Investment in mutual funds	133.66	-
	<b>133.66</b>	<b>-</b>
<b>Total</b>	<b>58,762.59</b>	<b>59,390.96</b>
<b>(b) Financial liabilities</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
Derivative financial liabilities	1,517.12	2,651.24
<b>Measured at amortised cost</b>		
(a) Borrowings	1,18,315.06	97,323.86
(b) Trade payables	37,804.49	32,637.83
(c) Other financial liabilities	4,998.94	5,924.16
	<b>1,61,118.49</b>	<b>1,35,885.85</b>

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

**(ii) Financial risk management**

The Group's principal financial liabilities comprise of borrowings from its holding company, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principle financial assets includes trade and other receivables, cash and bank balances, derived directly from its operations. The Group is exposed to market risk, credit risk and liquidity risk.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**37. Financial Instruments****(iii) Market Risk**

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. The Group does not have any foreign currency exposure and hence is not subject to foreign currency risks. The entire borrowing of the Group is at a fixed rate. Hence the Group is not subject to any interest rate risks. Further, the Group does not have any investments other than strategic investments in subsidiaries and investment in NSC and hence is not subject to other price risks.

**(iv) Interest rate risk management**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

**Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the group's profit for the year ended 31 March 2019 would decrease/increase by INR 59.16 Lakhs net of tax. This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

**(v) Other price risks**

The Group is exposed to equity price risk arising from equity instruments, other than investments in associates which are held for strategic rather than trading purposes. The Group does not actively trade these investments. Hence the Group's exposure to equity price risk is minimal.

**(vi) Credit risk management**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables.

**a) Trade receivables**

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. The Company is providing O&M services and is having long term contracts with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March, 2019 is Rs. 8,768.64 lakhs (as at 31 March, 2018 of Rs. 16,652.03 lakhs) are due from 7 major customers who are reputed parties. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit losses (%)	
	2018-19	2017-18
0-180 days	0.10%	NIL
181-365 days	0.50%	0.50%
Above 365 days	1.50%	1.50%

Age of receivables (Rs. in Lakhs)

Particulars	As at	As at
	31 March 2019	31 March 2018
0-180 days	1,649.54	11,319.35
181-365 days	986.13	6,105.74
Above 365 days	16,096.48	7,128.38
<b>Gross trade receivables</b>	<b>18,732.15</b>	<b>24,553.47</b>

Movement in the expected credit loss allowance : (Rs. in Lakhs)

Particulars	As at	As at
	31 March 2019	31 March 2018
Balance at beginning of the year	157.18	149.00
Movement in expected credit loss allowance	112.75	8.18
<b>Balance at end of the year</b>	<b>269.93</b>	<b>157.18</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**37. Financial Instruments****b) Loans and Other Receivables**

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Group to the external parties. 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 Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

The Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

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 income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

**c) other financial assets**

Credit risk arising from other balances with banks is limited because the counterparties are banks. There is no collateral held against such investments.

**(vii) Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Liquidity risk table**

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

**a) Non-Derivative Financial Liabilities :**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2019:

(Rs. in Lakhs)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
Borrowings	62,767.05	52,628.53	-	1,15,395.58
Trade payables	37,804.49	-	-	37,804.49
Derivative financial liabilities	-	1,517.12	-	1,517.12
Other financial liabilities	7,918.42	-	-	7,918.42
	1,08,489.96	54,145.65	-	1,62,635.61

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

(Rs. in Lakhs)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
Borrowings	40,765.55	54,856.06	-	95,621.61
Trade payables	32,637.83	-	-	32,637.83
Derivative financial liabilities	-	2,651.24	-	2,651.24
Other financial liabilities	7,626.41	-	-	7,626.41
	81,029.79	57,507.30	-	1,38,537.09

The above liabilities will be met by the Group from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Group also has unutilised financing facilities



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the period ended 31 March 2019

**37. Financial Instruments - continued**

(viii) Fair Value of the Entity's financial assets and financial liabilities that are measured at fair value on a recurring basis:

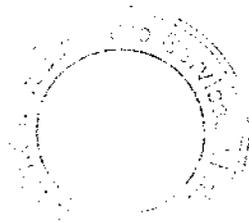
(Rs. in Lakhs)

Financial assets/(Financial liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2019	31 March 2018				
(a) Optionally convertible debentures (Refer Note 20)	(1,517.12)	(2,651.24)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	NA	NA
b) Investment in Mutual Fund (see note 8)	133.66	-	Level 2	The use of net asset value (NAV) for the mutual fund on the basis of the statement received from the investee party.	NA	NA

During the period, there were no transfers between Level 1 and level 2

(ix) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**38. Employee benefits:****(a) Defined Contribution Plans**

The Company contributes to the Government managed provident and pension fund for all qualifying employees.

Contribution to provident fund of Rs 92.90 Lakhs (previous year Rs 104.87 Lakhs) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.

**(b) Defined Benefit Plans:**

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2019 by Mr.G. N. Agarwal, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

(Rs. in Lakhs)

Movement in the present value of the defined benefit obligation are as follows :	Gratuity	
	31 March 2019	31 March 2018
Opening defined benefit obligation	150.98	141.05
Interest cost	10.89	9.33
Current service cost	64.52	86.20
Benefits paid	(12.64)	(3.05)
Actuarial (gain) / loss on obligations	(88.70)	(82.55)
<b>Present value of obligation as at the year end</b>	<b>125.05</b>	<b>150.98</b>

Components of amounts recognised in profit or loss and other comprehensive income are as under:

(Rs. in Lakhs)

Gratuity	31 March 2019	31 March 2018
Current service cost	64.52	86.20
Interest cost	10.89	9.33
<b>Amount recognised in profit or loss</b>	<b>75.41</b>	<b>95.53</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	(1.27)	(16.29)
b) arising from experience adjustments	(87.43)	(66.26)
<b>Amount recognised in other comprehensive</b>	<b>(88.70)</b>	<b>(82.55)</b>
<b>Total</b>	<b>(13.29)</b>	<b>12.98</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED****Notes to the consolidated financial statements for the year ended 31 March 2019****38. Employee benefits:****The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows:**

Particulars	31 March 2019	31 March 2018
Discount rate (per annum)	7.61%	7.52%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5%	5.00%
Mortality	IALM(2006-08)Ultimate Mortality Table	

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk and salary risk.

- Interest risk: a decrease in the bond interest rate will increase the plan liability.
- Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

**Sensitivity analysis**

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Gratuity	
	2018-19	2017-18
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(12.82)	(16.62)
If discount rate is decreased by 1%	15.28	19.96
If salary escalation rate is increased by 1%	14.70	19.20
If salary escalation rate is decreased by 1%	(12.57)	(16.30)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**38. Employee benefits:**

Expected outflow in future years (as provided in actuarial report)

Particulars	(Rs. in Lakhs)	
	2018-19	2017-18
	<b>Gratuity</b>	
Expected outflow in 1st Year	3.72	7.16
Expected outflow in 2nd Year	4.97	5.11
Expected outflow in 3rd Year	6.37	4.75
Expected outflow in 4th Year	7.54	5.97
Expected outflow in 5th Year	16.19	4.83
Expected outflow in 6th to 10th Year	49.31	38.81

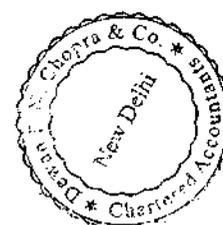
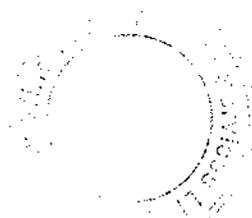
The average duration of the defined benefit plan obligation at the end of the reporting period is 10.89 years.

**(c) Other long term employment benefits:****Annual leave & Short term leave**

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2019 based on actuarial valuation carried out by using Projected accrued benefit method resulted in decrease in liability by Rs. 65.61 lakhs (31 March 2018: decrease in liability by Rs. 15.91 lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations of compensated absences are as follows:

Particulars	As at	
	31 March 2019	31 March 2018
Discount rate	7.61%	7.52%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality rate	IALM(2006-08)Ultimate Mortality Table	



## **INOX WIND INFRASTRUCTURE SERVICES LIMITED**

**Notes to the consolidated financial statements for the year ended 31 March 2019**

### **39: Balance Confirmation**

The Company has a system of obtaining periodic confirmation of balances from banks, trade receivables/payables and other parties. The balance confirmation letters as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to banks and parties and certain parties' balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

### **40: Contingent liabilities**

(a) Claims against the Group not acknowledged as debts: claims made by contractors - Rs. 3,578.36 lakhs (as at 31 March 2018: Rs.3,350.40 lakhs)

Some of the suppliers have raised claims including interest on account of non payment in terms of the respective contracts. The Company has contended that the suppliers have not adhered to some of the contract terms. At present the matters are pending before the jurisdictional authorities or are under negotiations.

b) In respect of claims made by three customers for non-commissioning of WTGs, the amount is not ascertainable.

In respect of above matters, no additional provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Group to estimate the timing and amounts of further cash outflows, if any, in respect of these matters.

### **41: Capital & Other Commitments**

#### **Capital Commitments**

(a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 3,701.48 Lakhs, (31 March 2018: Rs. 2,783.77 Lakhs).

#### **Other Commitments**

(b) Bank Guarantee issued by the Group to its customer for Rs. 10,000 Lakhs (as at 31 March is Rs. 10,000 Lakhs 2018)

### **42: Operating lease arrangements**

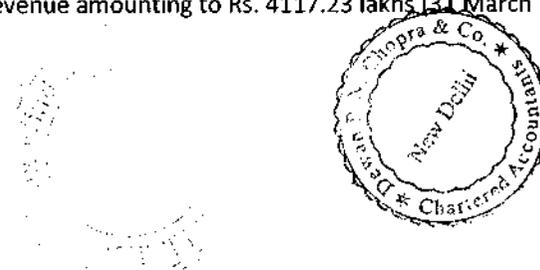
a) Leasing arrangements in respect of operating lease for office premises / residential premises:

The Group's significant lease agreements are for a period of 11/60 months and are cancellable. The aggregate lease rentals are charged as "Rent" in the Consolidated Statement of Profit and Loss.

### **43: Segment Information**

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and segment performance focuses on single business segment of Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities services for WTGs, and wind farm development services and hence there is only one reportable business segment in terms of Ind AS 108: Operating Segment.

One customers contributed more than 10% of the total Group's revenue amounting to Rs. 4117.23 lakhs (31 March 2018: Rs.11,787.11 lakhs).



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

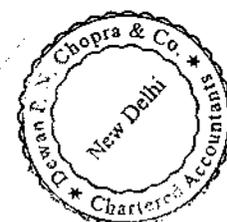
**44. Income tax recognised in Statement of Profit and Loss**

Particulars	(Rs. in Lakhs)	
	2018-2019	2017-2018
<b>Current tax</b>		
In respect of the current year	-	-
Minimum Alternate Tax (MAT) credit	-	-
Taxation pertaining to earlier years	-	12.65
	-	12.65
<b>Deferred tax</b>		
In respect of the current year	(3,179.13)	(2,365.14)
Taxation pertaining to earlier years	-	(10.15)
	(3,179.13)	(2,375.29)
<b>Total income tax expense recognised in the current year</b>	(3,179.13)	(2,362.64)

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

Particulars	2018-2019	2017-2018
Profit before tax	(8,475.93)	(8,026.96)
Income tax expense calculated at 34.608% (2015-2016: 34.608%)	(3,140.33)	(2,777.97)
Effect of expenses that are not deductible in determining taxable profits	-	290.58
Effect on deferred tax balances due to the change in income tax rate from 34.608% to 34.944% / from 33.063% to 34.608%	-	21.34
Deferred tax on losses of subsidiaries not recognised	-	21.07
Others	(38.80)	79.84
	(3,179.13)	(2,365.14)
Taxation pertaining to earlier years	-	2.50
<b>Income tax expense recognised in Statement of Profit and Loss</b>	(3,179.13)	(2,362.64)

The tax rate used for the years ended 31 March 2019 in reconciliation is 34.944% and for year ended 31 March 2018 is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**45. Related Party Disclosures:**

**i. Where control exists**

Inox Wind Limited

Gujarat Fluorochemicals Limited (GFL) - holding company

Inox Leasing and Finance Limited - ultimate holding company

**ii. Other Related parties with whom there are transactions during the year**

**Key Management Personnel (KMP)**

Mr. Manoj Dixit - whole-time director in Inox Wind Infrastructure Services Limited

Mr. Vineet Davis - whole-time director in Inox Wind Infrastructure Services Limited

Mr. Mukesh Manglik - Non Executive Director in Inox Wind Infrastructure Services Limited

Mr. Bhupesh Juneja - Non Executive Director in Marut Shakti Energy India Limited

Mr. Mukesh Patni - Non Executive Director in Marut Shakti Energy India Limited

**Associates**

1. Khatiyu Wind Energy Private Limited (Upto 15 December 2018)\*

3. Ravapar Wind Energy Private Limited (Upto On 15 December 2018)\*

5. Nani Virani Wind Energy Private Limited (Upto On 15 December 2018)\*

7. Wind Four Renergy Private Limited

2. Wind One Renergy Private Limited (w.e.f. 29 November 2018)\*\*

4. Wind Three Renergy Private Limited (w.e.f. 29 November 2018)\*\*

6. Wind Two Renergy Private Limited

8. Wind Five Renergy Private Limited

**Fellow Subsidiaries**

Inox Renewables Limited (IRL) - Subsidiary of GFL

Inox Renewables (Jaisalmer) Limited - Subsidiary of IRL #

Inox Leisure Limited (ILL) - Subsidiary of GFL

\*The Group has cancelled various binding agreements (including call & put option agreement and voting rights agreement) with a party. Due to cancellation of the binding agreements, it is assessed that the Group has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, IWISL has accounted for investment in such companies as investment in 'subsidiary' from the date of gaining control.

\*\* IWISL has formed above wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. During the year, IWISL has entered into various binding agreements with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that IWISL has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, IWISL has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.

# IRL got amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 03 April 2019. The Appointed Date of the Scheme is 01 April 2018 and it became effective from 25 April 2019.



## INOX WIND INFRASTRUCTURE SERVICES LIMITED

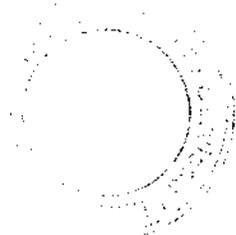
Notes to the consolidated financial statements for the year ended 31 March 2019

## 45. Related Party Disclosures:

The following table summarizes related-party transactions and balances included in the consolidated financial statements:

(Rs. in Lakhs)

Particulars	Holding company		Associates		Fellow subsidiaries		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year</b>								
<b>Sale of goods and services</b>								
Inox Wind Limited	4,505.53	7,594.48					4,505.53	7,594.48
Gujarat Fluorochemicals Limited	468.91	444.13					468.91	444.13
Wind Three Renergy Pvt. Ltd.			3,393.22				3,393.22	-
Inox Renewables Limited					69.30	1,143.54	69.30	1,143.54
<b>Total</b>	<b>4,974.44</b>	<b>8,038.61</b>	<b>3,393.22</b>	<b>-</b>	<b>69.30</b>	<b>1,143.54</b>	<b>8,436.96</b>	<b>9,182.15</b>
<b>Purchase of goods and services</b>								
Inox Wind Limited	4,457.67	4,623.00					4,457.67	4,623.00
Inox Renewables Limited					87.50	-	87.50	-
<b>Total</b>	<b>4,457.67</b>	<b>5,549.27</b>	<b>-</b>	<b>-</b>	<b>87.50</b>	<b>-</b>	<b>4,545.17</b>	<b>5,549.27</b>
<b>Inter-corporate deposits taken</b>								
Inox Wind Limited	39,473.08	54,795.70					39,473.08	54,795.70
Gujarat Fluorochemicals Limited	14,250.00	-					14,250.00	-
<b>Total</b>	<b>53,723.08</b>	<b>54,795.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,723.08</b>	<b>54,795.70</b>
<b>Inter-corporate deposits refunded</b>								
Inox Wind Limited	33,574.82	54,160.57					33,574.82	54,160.57
Gujarat Fluorochemicals Limited	4,250.00	-					4,250.00	-
<b>Total</b>	<b>37,824.82</b>	<b>54,160.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,824.82</b>	<b>54,160.57</b>
<b>Advance received</b>								
Gujarat Fluorochemicals Limited	3,300.00	1,760.00					3,300.00	1,760.00
Inox Renewables Limited	-	-				2,150.00	-	2,150.00
<b>Total</b>	<b>3,300.00</b>	<b>1,760.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,150.00</b>	<b>3,300.00</b>	<b>3,910.00</b>
<b>Inter-corporate deposits given</b>								
Wind Two Renergy Pvt. Ltd.	-	-	-	0.55			-	0.55
Wind Four Renergy Pvt. Ltd.	-	-	-	0.55			-	0.55
Wind Five Renergy Pvt. Ltd.	-	-	-	0.55			-	0.55
Wind One Renergy Pvt. Ltd.	-	-	0.11	-			0.11	-
Wind Three Renergy Pvt. Ltd.	-	-	51.44	-			51.44	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>51.55</b>	<b>1.65</b>	<b>-</b>	<b>-</b>	<b>51.55</b>	<b>1.65</b>



INOX WIND INFRASTRUCTURE SERVICES LIMITED  
Notes to the consolidated financial statements for the year ended 31 March 2019

45. Related Party Disclosures:

(Rs. in Lakhs)

Particulars	Holding company		Associates		Fellow subsidiaries		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) Transactions during the year-cont.</b>								
<b>Inter-corporate deposits received Back</b>								
Wind Two Renergy Pvt. Ltd.			0.85	-			0.85	-
Wind Four Renergy Pvt. Ltd.			0.85	-			0.85	-
Wind Five Renergy Pvt. Ltd.			0.85	-			0.85	-
<b>Total</b>			<b>2.55</b>				<b>2.55</b>	
<b>Interest paid</b>								
Inox Wind Limited								
-On inter-corporate deposit	2,007.76	1,297.11					2,007.76	1,297.11
-On debentures	1,829.04	2,000.00					1,829.04	2,000.00
Gujarat Fluorochemicals Limited								
-On inter-corporate deposit	387.14	-					387.14	-
<b>Total</b>	<b>4,223.94</b>	<b>3,297.11</b>					<b>4,223.94</b>	<b>3,297.11</b>
<b>Guarantee Charges paid</b>								
Gujarat Fluorochemicals Limited	918.94	219.55					918.94	219.55
<b>Interest received</b>								
Wind Two Renergy Pvt. Ltd.		-	0.10	0.02			0.10	0.02
Wind Four Renergy Pvt. Ltd.		-	0.10	0.02			0.10	0.02
Wind Five Renergy Pvt. Ltd.		-	0.10	0.02			0.10	0.02
Wind One Renergy Pvt. Ltd.		-	0.04	-			0.04	-
Wind Three Renergy Pvt. Ltd.		-	1.35	-			1.35	-
<b>Total</b>			<b>1.68</b>	<b>0.06</b>			<b>1.68</b>	<b>0.06</b>
<b>Reimbursement of expenses paid/payment made on behalf of the Group</b>								
Inox Wind Limited	103.36	458.07	-	-	-	-	103.36	458.07
Inox Renewables Limited	-	-	-	-	14.78	9.17	14.78	9.17
Gujarat Fluorochemicals Limited	293.19	-	-	-	-	-	293.19	-
<b>Total</b>	<b>396.55</b>	<b>458.07</b>			<b>14.78</b>	<b>9.17</b>	<b>416.60</b>	<b>467.24</b>
<b>Reimbursement of expenses received/payment made on behalf by the Group</b>								
Inox Wind Limited	12.47	8.42					12.47	8.42
Inox Renewables Limited	0							
<b>Total</b>	<b>12.47</b>	<b>8.42</b>					<b>12.47</b>	<b>8.42</b>



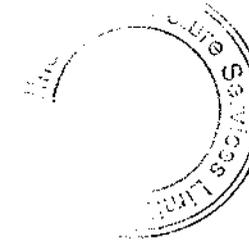
## INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2019

## 45. Related Party Disclosures:

(Rs. in Lakhs)

Particulars	Holding company		Associates		Fellow subsidiaries		Total	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
<b>B) Balance as at the end of the year</b>								
<b>a) Amounts payable</b>								
Trade and other payables								
Inox Wind Limited	7,611.38	7,050.19					7,611.38	7,050.19
Inox Renewables Limited	-	-				2,449.77	-	2,449.77
<b>Total</b>	<b>7,611.38</b>	<b>7,050.19</b>				<b>2,449.77</b>	<b>7,611.38</b>	<b>9,499.96</b>
Inter-corporate deposit payable								
Inox Wind Limited	21,774.39	15,876.14					21,774.39	15,876.14
Gujarat Fluorochemicals Limited	10,000.00	-					10,000.00	-
<b>Total</b>	<b>31,774.39</b>	<b>15,876.14</b>					<b>31,774.39</b>	<b>15,876.14</b>
Debentures								
Inox Wind Limited	40,000.00	50,000.00					40,000.00	50,000.00
Interest payable on inter-corporate deposit								
Inox Wind Limited	1,806.98	269.82					1,806.98	269.82
Interest payable on debentures								
Inox Wind Limited	581.92	735.78					581.92	735.78
<b>b) Amount receivable</b>								
Trade receivable								
Gujarat Fluorochemicals Limited	185.58	-					185.58	-
Inox Wind Limited	157.22	-					157.22	-
Inox Renewables Limited	-	-			361.12	526.44	361.12	526.44
Wind Three Renergy Private Limited	-	-	3,504.19	-			3,504.19	-
<b>Total</b>	<b>342.80</b>	<b>-</b>	<b>3,504.19</b>	<b>-</b>	<b>361.12</b>	<b>526.44</b>	<b>4,208.10</b>	<b>526.44</b>
Advance received from Customer								
Gujarat Fluorochemicals Limited	5,060.00	1,760.00					5,060.00	1,760.00
Inox Renewables Limited	-	-			2,150.00	2,150.00	2,150.00	2,150.00
<b>Total</b>	<b>5,060.00</b>	<b>1,760.00</b>			<b>2,150.00</b>	<b>2,150.00</b>	<b>7,210.00</b>	<b>3,910.00</b>
Inter-corporate deposit receivable								
Wind Two Renergy Pvt. Ltd.	-	-	0.85	-			-	0.85
Wind Four Renergy Pvt. Ltd.	-	-	0.85	-			-	0.85
Wind Five Renergy Pvt. Ltd.	-	-	0.85	-			-	0.85
Wind One Renergy Pvt. Ltd.	-	-	0.41	-			0.41	-
Wind Three Renergy Pvt. Ltd.	-	-	51.74	-			51.74	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>52.15</b>	<b>2.55</b>			<b>52.15</b>	<b>2.55</b>
Interest on inter-corporate deposit receivable								
Wind Two Renergy Pvt. Ltd.	-	-	0.03	-			-	0.03
Wind Four Renergy Pvt. Ltd.	-	-	0.03	-			-	0.03
Wind Five Renergy Pvt. Ltd.	-	-	0.03	-			-	0.03
Wind One Renergy Pvt. Ltd.	-	-	0.06	-			0.06	-
Wind Three Renergy Pvt. Ltd.	-	-	0.17	-			0.17	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.23</b>	<b>0.09</b>			<b>0.23</b>	<b>0.09</b>
Other dues Payable								
Gujarat Fluorochemicals Limited	1,138.49	219.55					1,138.49	219.55



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**45. Related Party Disclosures:****C) Guarantees**

During the year, Gujarat Fluorochemicals Limited, the holding company, has issued guarantee and provided security in respect of borrowings by Inox Wind Infrastructure Services Limited. The outstanding balances of such borrowings as at 31 March 2019 is Rs. 50,383.00 lakh, (Previous Year as at 31 March 2018 is Rs. 36,293.89 lakh)

## Notes:

(a) Sales, purchases and service transactions with related parties are made at arm's length price.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts/provision of goods and services.

(c) No expense has been recognised for the year ended 31 March 2019 and 31 March 2018 for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) There have been no other guarantees received or provided for any related party receivables or payables.

**(e) Compensation of Key management personnel**

Particulars	2018-19	2017-18
(i) Remuneration paid -		
- Mr. Manoj Dixit	28.11	24.52
- Mr. Vineet Davis	40.79	40.79
Sitting fees paid to directors	7.40	8.80
<b>Total</b>	<b>76.30</b>	<b>74.11</b>

Particulars	2018-19	2017-18
Short term benefits	68.90	65.31
Post employment benefits*	-	-
Long term employment benefits*	-	-
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	7.40	8.80
<b>Total</b>	<b>76.30</b>	<b>74.11</b>

\*As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company, the amount pertaining to KMP are not included above.

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends.

Contribution to provident Fund (defined contribution plan) is Rs. 3.24 lakhs (previous year Rs. 3.24 lakhs) included in the amount of remuneration reported above.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

**Notes to the consolidated financial statements for the year ended 31 March 2019**

**46: Details of subsidiaries**

Name of subsidiary	Place of incorporation and operations	Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2019	As at 31 March 2018
<b>A) Subsidiaries of IWISL:</b>			
Marut Shakti Energy India Limited	India	100.00%	100.00%
Satviki Energy Private Limited	India	100.00%	100.00%
Sarayu Wind Power (Tallimadugula) Private Limited	India	100.00%	100.00%
Vinirrrmaa Energy Generation Private Limited	India	100.00%	100.00%
Sarayu Wind Power (Kondapuram) Private Limited	India	100.00%	100.00%
RBRK Investments Limited	India	100.00%	100.00%
Vasuprada Renewables Private Limited	India	100.00%	100.00%
Suswind Power Private Limited	India	100.00%	100.00%
Ripudaman Urja Private Limited	India	100.00%	100.00%
Vibhav Energy Private Limited	India	100.00%	100.00%
Haroda Wind Energy Private Limited	India	100.00%	100.00%
Vigodi Wind Energy Private Limited	India	100.00%	100.00%
Aliento Wind Energy Private Limited	India	100.00%	100.00%
Tempest Wind Energy Private Limited	India	100.00%	100.00%
Flurry Wind Energy Private Limited	India	100.00%	100.00%
Vuelta Wind Energy Private Limited	India	100.00%	100.00%
Flutter Wind Energy Private Limited	India	100.00%	100.00%
Nani Virani Wind Energy Pvt. Ltd.	India	100.00%	-
Ravapar Wind Energy Pvt. Ltd.	India	100.00%	-
Khatiyu Wind Energy Pvt. Ltd.	India	100.00%	-
Sri Pavan Energy Private Limited	India	51.00%	-
Wind One Renergy Private Limited	India	-	100.00%
Wind Three Renergy Private Limited	India	-	100.00%
<b>B) Associates of IWISL:</b>			
Wind Two Renergy Private Limited	India	100.00%	100.00%
Wind Four Renergy Private Limited	India	100.00%	100.00%
Wind Five Renergy Private Limited	India	100.00%	100.00%
Wind One Renergy Private Limited	India	100.00%	-
Wind Three Renergy Private Limited	India	100.00%	-
Nani Virani Wind Energy Pvt. Ltd.	India	-	100.00%
Ravapar Wind Energy Pvt. Ltd.	India	-	100.00%
Khatiyu Wind Energy Pvt. Ltd.	India	-	100.00%

All subsidiaries and associates of IWISL are engaged in the business of providing wind farm development services.

The financial year of the above companies is 1 April to 31 March.

There are no restrictions on the Parent or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

See Note 7 & 45 in respect of particulars of subsidiary companies which have become 'associate' on cessation of control during the year.



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the year ended 31 March 2019**
**47: Disclosure of additional information as required by the Schedule III:**
**(a) As at and for the year ended 31 March 2019**
**(Rs.in Lakhs)**

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
<b>Parent</b>								
Inox Wind Infrastructure Services Limited	75.87%	3,713.75	107.97%	(5,718.93)	100.00%	57.71	108.96%	(5,661.22)
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Marut Shakti Energy India Limited	(33.83%)	(1,656.08)	5.40%	(286.11)	0.00%	-	5.51%	(286.11)
Sarayu Wind Power (Tallimadugula) Private Limited	(2.20%)	(107.44)	0.51%	(26.81)	0.00%	-	0.52%	(26.81)
Sarayu Wind Power (Kondapuram) Private Limited	(0.89%)	(43.46)	0.30%	(15.83)	0.00%	-	0.30%	(15.83)
Satwiki Energy Private Limited	1.56%	76.32	0.03%	(1.42)	0.00%	-	0.03%	(1.42)
Vinirraa Energy Generation Private Limited	(2.32%)	(113.51)	0.41%	(21.89)	0.00%	-	0.42%	(21.89)
RBRK Investments Limited	(24.87%)	(1,217.39)	14.40%	(763.00)	0.00%	-	14.69%	(763.00)
Ripudaman Urja Private Limited	(0.02%)	(1.08)	0.02%	(0.91)	0.00%	-	0.02%	(0.91)
Suswind Power Private Limited	(0.35%)	(16.93)	0.32%	(16.76)	0.00%	-	0.32%	(16.76)
Vasuprada Renewables Private Limited	(0.02%)	(1.20)	0.02%	(1.02)	0.00%	-	0.02%	(1.02)
Vibhav Energy Private Limited	(0.03%)	(1.32)	0.03%	(1.35)	0.00%	-	0.03%	(1.35)
Haroda Wind Energy Private Limited	(0.01%)	(0.43)	0.02%	(0.87)	0.00%	-	0.02%	(0.87)
Vigodi Wind Energy Private Limited	(0.01%)	(0.40)	0.02%	(0.87)	0.00%	-	0.02%	(0.87)
Aliento Wind Energy Private Limited	(0.27%)	(13.33)	0.26%	(13.96)	0.00%	-	0.27%	(13.96)
Tempest Wind Energy Private Limited	(0.27%)	(13.34)	0.26%	(13.96)	0.00%	-	0.27%	(13.96)
Flurry Wind Energy Private Limited	(0.27%)	(13.34)	0.26%	(13.96)	0.00%	-	0.27%	(13.96)
Vuelta Wind Energy Private Limited	(0.27%)	(13.24)	0.26%	(13.86)	0.00%	-	0.27%	(13.86)
Flutter Wind Energy Private Limited	(0.37%)	(17.87)	0.35%	(18.48)	0.00%	-	0.36%	(18.48)
Nani Virani Wind Energy Private Limited(*)	0.00%	(0.02)	0.01%	(0.67)	0.00%	-	0.01%	(0.67)
Ravapar Wind Energy Private Limited(*)	0.00%	(0.02)	0.01%	(0.67)	0.00%	-	0.01%	(0.67)
Khatiyu Wind Energy Private Limited(*)	0.00%	(0.02)	0.01%	(0.67)	0.00%	-	0.01%	(0.67)
Sri Pavan Energy Private Limited	(1.61%)	(78.60)	1.67%	(88.60)	0.00%	-	1.71%	(88.60)
<b>Non-controlling Interest in subsidiaries</b>	(0.79%)	(38.51)	0.82%	(43.41)	0.00%	-	-	-
<b>Associates</b>								
Wind Two Renergy Private Limited	(0.06%)	(2.91)	0.05%	(2.91)	0.00%	-	0.06%	(2.91)
Wind Four Renergy Private Limited	(0.05%)	(2.61)	0.05%	(2.61)	0.00%	-	0.05%	(2.61)
Wind Five Renergy Private Limited	(0.33%)	(16.36)	0.31%	(16.36)	0.00%	-	0.31%	(16.36)
Wind One Renergy Private Limited	(0.02%)	(1.00)	0.02%	(1.00)	0.00%	-	0.02%	(1.00)
Wind Three Renergy Private Limited	(0.02%)	(1.00)	0.02%	(1.00)	0.00%	-	0.02%	(1.00)
<b>Consolidation eliminations / adjustments</b>	91.45%	4,476.08	(33.81%)	1,791.09	0.00%	-	(34.48%)	1,791.09
<b>Total</b>	<b>100.00%</b>	<b>4,894.76</b>	<b>100.00%</b>	<b>(5,296.80)</b>	<b>100.00%</b>	<b>57.71</b>	<b>100.02%</b>	<b>(5,195.68)</b>

(\*) See Note 7 &amp; 45



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**
**Notes to the consolidated financial statements for the year ended 31 March 2019**
**47: Disclosure of additional information as required by the Schedule III:**
**(b) As at and for the year ended 31 March 2018**
**(Rs.in Lakhs)**

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
<b>Parent</b>								
Inox Wind Infrastructure Services Limited	-318.83%	(573.95)	102.22%	(5,789.93)	100.00%	53.70	102.24%	(5,736.23)
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Marut Shakti Energy India Limited	(761.02%)	(1,369.97)	5.48%	(310.16)	0.00%	-	5.53%	(310.16)
Sarayu Wind Power (Tallimadugula) Private Limited	(44.79%)	(80.63)	0.34%	(19.39)	0.00%	-	0.35%	(19.39)
Sarayu Wind Power (Kondapuram) Private Limited	(15.35%)	(27.63)	0.27%	(15.19)	0.00%	-	0.27%	(15.19)
Satviki Energy Private Limited	43.18%	77.74	0.02%	(1.08)	0.00%	-	0.02%	(1.08)
Vinirmaa Energy Generation Private Limited	(50.90%)	(91.62)	0.64%	(35.99)	0.00%	-	0.64%	(35.99)
RBRK Investments Limited	(252.41%)	(454.38)	8.86%	(501.94)	0.00%	-	8.95%	(501.94)
Wind One Renergy Private Limited	(0.14%)	(0.25)	0.02%	(1.25)	0.00%	-	0.02%	(1.25)
Wind Three Renergy Private Limited	(0.14%)	(0.25)	0.02%	(1.25)	0.00%	-	0.02%	(1.25)
Ripudaman Urja Private Limited	(0.09%)	(0.17)	0.02%	(1.17)	0.00%	-	0.02%	(1.17)
Suswind Power Private Limited	(0.09%)	(0.17)	0.02%	(1.17)	0.00%	-	0.02%	(1.17)
Vasuprada Renewables Private Limited	(0.10%)	(0.18)	0.02%	(1.18)	0.00%	-	0.02%	(1.18)
Vibhav Energy Private Limited	0.02%	0.03	0.02%	(0.97)	0.00%	-	0.02%	(0.97)
Haroda Wind Energy Private Limited	0.24%	0.44	0.01%	(0.56)	0.00%	-	0.01%	(0.56)
Vigodi Wind Energy Private Limited	0.26%	0.47	0.01%	(0.53)	0.00%	-	0.01%	(0.53)
Aliento Wind Energy Private Limited	0.32%	0.58	0.01%	(0.42)	0.00%	-	0.01%	(0.42)
Tempest Wind Energy Private Limited	0.32%	0.57	0.01%	(0.43)	0.00%	-	0.01%	(0.43)
Flurry Wind Energy Private Limited	0.32%	0.57	0.01%	(0.43)	0.00%	-	0.01%	(0.43)
Vuelta Wind Energy Private Limited	0.32%	0.57	0.01%	(0.43)	0.00%	-	0.01%	(0.43)
Flutter Wind Energy Private Limited	0.32%	0.57	0.01%	(0.43)	0.00%	-	0.01%	(0.43)
Wind Two Renergy Private Limited			0.01%	(0.83)	0.00%	-	0.01%	(0.83)
Wind Four Renergy Private Limited			0.01%	(0.83)	0.00%	-	0.01%	(0.83)
Wind Five Renergy Private Limited			0.01%	(0.83)	0.00%	-	0.01%	(0.83)
Nani Virani Wind Energy Private Limited			0.00%	-	0.00%	-	0.00%	-
Ravapar Wind Energy Private Limited			0.00%	-	0.00%	-	0.00%	-
Khatiyu Wind Energy Private Limited			0.00%	-	0.00%	-	0.00%	-
<b>Associates</b>								
Wind Two Renergy Private Limited	(0.56%)	(1.00)	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
Wind Four Renergy Private Limited	(0.56%)	(1.00)	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
Wind Five Renergy Private Limited	(0.56%)	(1.00)	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
Nani Virani Wind Energy Private Limited	(0.19%)	(0.35)	0.01%	(0.35)	0.00%	-	0.01%	(0.35)
Ravapar Wind Energy Private Limited	(0.19%)	(0.35)	0.01%	(0.35)	0.00%	-	0.01%	(0.35)
Khatiyu Wind Energy Private Limited	(0.19%)	(0.35)	0.01%	(0.35)	0.00%	-	0.01%	(0.35)
<b>Non-controlling Interest in subsidiaries</b>								
Consolidation eliminations / adjustments	1500.80%	2,701.73	-18.07%	1,023.63	0.00%	-	(18.25%)	1,023.63
<b>Total</b>	<b>100.00%</b>	<b>180.02</b>	<b>100.00%</b>	<b>(5,664.32)</b>	<b>100.00%</b>	<b>53.70</b>	<b>100.00%</b>	<b>(5,610.62)</b>



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2019

**48: Interest in Other Entities:**

**Summarised Financial Information**

Particulars	Associates	
	As at 31 March 2019	As at 31 March 2018
<b>(A) Non-Current Assets</b>	<b>59,674.47</b>	<b>18,126.53</b>
<b>(B) Current Assets</b>		
i) Cash and cash equivalent	621.11	276.17
ii) Others	3,312.20	0.83
<b>Total Current Asset</b>	<b>3,933.31</b>	<b>276.99</b>
<b>Total Asset (A+B)</b>	<b>63,607.78</b>	<b>18,403.53</b>
<b>(A) Non-Current Liabilities</b>		
i) Financial Liabilities	27,730.57	18,397.17
ii) Non Financial Liabilities	-	8.70
<b>Total Non-Current Liabilities</b>	<b>27,730.57</b>	<b>18,405.87</b>
<b>(B) Current Liabilities</b>		
i) Financial Liabilities	28,833.01	6.94
ii) Non Financial Liabilities	191.06	1.88
<b>Total Current Liabilities</b>	<b>29,024.07</b>	<b>8.81</b>
<b>Total Liabilities (A+B)</b>	<b>56,754.64</b>	<b>18,414.69</b>
<b>Net Assets</b>	<b>6,853.14</b>	<b>(11.16)</b>

**Summarised Performance**

Particulars	Associates	
	2018-2019	2017-2018
Revenue	-	-
Profit and Loss before Tax	(18.54)	(8.46)
Tax Expense	(15.63)	8.70
Profit and Loss after Tax	(2.91)	(17.16)
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>(2.91)</b>	<b>(17.16)</b>
Depreciation and Amortisation	0.06	-
Interest Income	-	-
Interest Expense	2.46	0.08



48: Interest in Other Entities: (Continued)

Reconciliation of Net Assets considered for consolidated financial statement to net asset as per associate financial statement

Particulars	Associates	
	As at 31 March 2019	As at 31 March 2018
Net Assets as per Entity Financial	6,853.14	(11.16)
Add/(Less) : Consolidation Adjustment	77.98	13.11
Net Assets as per Consolidated Financials	6,931.12	1.95

Reconciliation of Profit and Loss/ OCI considered for consolidated financial statement to net asset as per associate financial statement

Particulars	Associates	
	As at 31 March 2019	As at 31 March 2018
Profit/(loss) as per Entity's Financial	(2.91)	(17.16)
Add/(Less) : Consolidation Adjustment	(20.97)	15.60
Profit/(loss) as per Consolidated Financials	(23.88)	(1.56)
OCI as per Entity's Financial	-	-
Add/(Less) : Consolidation Adjustment	-	-
OCI as per Consolidated Financials	-	-

Interest in Associates

Particulars	As at 31 March 2019	As at 31 March 2018
<b>(a) Wind One Renegy Private Limited</b>		
Interest as at 1st April	-	-
Add: Company become associate during the year	1.00	-
Add:- Share of profit for the period	(1.00)	-
Add:- Share of OCI for the period	-	-
Balance as at 31st March	-	-
<b>(b) Wind Two Renegy Private Limited</b>		
Interest as at 1st April	-	-
Add: Shares Purchased during the year	3,251.00	-
Add:- Share of profit for the period	(2.91)	-
Add:- Share of OCI for the period	-	-
Balance as at 31st March	3,248.09	-
<b>(c) Wind Three Renegy Private Limited</b>		
Interest as at 1st April	-	-
Add: Company become associate during the year	1.00	-
Add:- Share of profit for the period	(1.00)	-
Add:- Share of OCI for the period	-	-
Balance as at 31st March	-	-
<b>(d) Wind Four Renegy Private Limited</b>		
Interest as at 1st April	-	-
Add: Shares Purchased during the year	1,851.00	-
Add:- Share of profit for the period	(2.61)	-
Add:- Share of OCI for the period	-	-
Balance as at 31st March	1,848.39	-



**48: Interest in Other Entities: (Continued)**

<b>(e) Wind Five Renergy Private Limited</b>		
Interest as at 1st April	-	-
Add: Shares Purchased during the year	1,851.00	
Add:- Share of profit for the period	(16.36)	-
Add:- Share of OCI for the period	-	-
Balance as at 31st March	<b>1,834.64</b>	-
<b>(f) Khatiyu Wind Energy Private Limited</b>		
Interest as at 1st April	0.65	-
Add:- Share of profit for the period	-	0.65
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	(0.65)	
Balance as at 31st March	-	<b>0.65</b>
<b>(g) Nani Virani Wind Energy Private Limited</b>		
Interest as at 1st April	0.65	-
Add:- Share of profit for the period	-	0.65
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	(0.65)	
Balance as at 31st March	-	<b>0.65</b>
<b>(h) Ravapar Wind Energy Private Limited</b>		
Interest as at 1st April	0.65	-
Add:- Share of profit for the period	-	0.65
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	(0.65)	
Balance as at 31st March	-	<b>0.65</b>

\* The above companies have ceased to be associates during the year and have become subsidiary of the Group. (See note 45)



**INOX WIND INFRASTRUCTURE SERVICES LIMITED**  
**Notes to the consolidated financial statements for the year ended 31 March 2019**

**49. Revenue from contracts with customers as per Ind As 115**

**(A) Disaggregated revenue information**

In the following table, revenue from contracts with customers is disaggregated by primary major products and service lines. Since the Company has only one reportable business segment, no reconciliation of the disaggregated revenue is required:

Reportable segment/Manufacture of Wind Turbine

(Rs. in Lakhs)	
Particulars	2018-2019
Major Product/ Service Lines	
Sale of goods	-
Sale of services	20,763.34
Others	54.98
<b>Total</b>	<b>20,818.32</b>

**(B) Contract balances**

All the Trade Receivables and Contract Liabilities have been separately presented in notes to accounts.

**50: Corporate Social Responsibilities (CSR)**

(a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is NIL (31 March 2018 Rs. 21.05 Lakh).

(b) Amount spent during the year ended 31 March 2019:

(Rs. in Lakhs)			
Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii) On purpose other than (i) above - Donations	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Figures in brackets pertain to 31 March 2018)

**51:** There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**52: Events after the Reporting period**

There are no events observed after the reported period which have an impact on the Group operations.

As per our report of even date attached

**For Dewan PN Chopra & Co.**

Chartered Accountants

Firm's Registration No 00047218

*(Signature)*  
**Ardeen Dahiya**  
 Partner  
 Membership No. 50531



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

*(Signature)*  
**Manoj Dixit**  
 Director  
 DIN : 06709232

*(Signature)*  
**Narayan Lodha**  
 Chief Financial Officer

*(Signature)*  
**Vinod Dahiya**  
 Director  
 DIN : 06709239

*(Signature)*  
**Abhishek Dahiya**  
 Company Secretary

Place : Noida  
 Date : 18 May 2019

Place : Noida  
 Date : 18 May 2019