

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001	The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai 400 051
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Scrip code: 539083**Scrip code: INOXWIND****Sub: Notice of 11th Annual General Meeting (AGM) along with copy of Annual Report for the Financial Year ended 31st March, 2020**

Dear Sirs,

Please refer to our letter dated 31st August, 2020 intimating that the 11th Annual General Meeting (AGM) of the Company has been scheduled to be held on Wednesday, 23rd September, 2020 at 3.00 P.M. (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) in accordance with the relevant Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

In continuation to the aforesaid letter and pursuant to Section 108 of the Companies Act, 2013 and Regulations 30, 34 and 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copy of Annual Report for Financial Year 2019-20 containing, inter-alia, the Notice of the 11th AGM and Business Responsibility Report.

The Notice of 11th AGM along with copy of Annual Report for the Financial Year ended 31st March, 2020 are available on the Company's website at <https://www.inoxwind.com> and are being dispatched to all eligible shareholders whose e-mail Ids are registered with the Company/ Depositories.

Further, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 17th September, 2020 to Wednesday, the 23rd September, 2020 (both days inclusive) for the purpose of the AGM.

The Company is pleased to provide to its Members the facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means. Only a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date, i.e. Wednesday, 16th September, 2020, shall be entitled to avail the e-Voting facility. The remote e-Voting facility commences on Saturday, 19th September, 2020 from 9.00 A.M. (IST) and ends on Tuesday, 22nd September, 2020 at 5.00 P.M. (IST).

We request you to please take the above on record.

Thanking You,
Yours faithfully,
For **Inox Wind Limited**


Deepak Banga
Company Secretary



Encls: a/a

The logo for INOXWIND, with 'INOX' in white on a blue background and 'WIND' in white on a green background.

Energizing INDIA

A low-angle, upward-looking photograph of a white wind turbine against a clear blue sky. The turbine's nacelle and one of its blades are prominent. The blade has the INOXWIND logo on it. The background features faint, concentric dotted circles and a soft light flare.

ENTHUSED. EXCITED. EAGER.

TO UNLEASH GROWTH

Annual Report 2019-20

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You can find more information about Inox Wind at www.inoxwind.com



About cover

Our determination to explore better prospects in the wind energy space have been creatively depicted on the cover of our latest annual report.

Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

We believe in owning a responsibility for our future.



We understand, in a resource-constrained world, it is imperative to judiciously evaluate how and where we utilize resources to enable sustainable and holistic development.

Our vision, therefore, remains focused on a better future, to explore prospects in India's energy landscape. At Inox Wind, we have persisted the tests of time, surpassed uncertainties and have remained enthused to build strength. With renewed vigour, excitement and eagerness, we are now ready to fulfil aspirations and set new targets to inspire change in an evolving industry.

ABOUT INOX GROUP

In the 1920s the Inox Group's tryst with the world of business began with a successful paper and newsprint trading business. Gradually, it diversified into multiple lucrative sectors, capitalizing on growing opportunities. Over the next six decades, a business conglomerate emerged – its journey punctuated with many firsts and ground breaking achievements. Today, the Inox Group has moved from chemicals to celluloid, serving multiple industries with a track record of delivering distinguished products and services.

Each INOX Group company is characterized by the growth DNA of the Group that can be encapsulated in the following:



Early Identification of a Winning Business Area



Building up scale rapidly



Market leadership in the segment

Key highlights for FY 2019–20

10,000+

EMPLOYEES ACROSS THE GLOBE

75+

COUNTRIES OF PRESENCE

200+

BUSINESS UNITS ACROSS INDIA

Our Business Verticals



Industrial Gases



Refrigerants



Chemicals



Cryogenic Engineering



Renewable Energy



Entertainment

Group Companies



Gujarat Fluorochemicals Limited



INOX Leisure Limited



INOX Wind Limited



GFL Limited



INOX Air Products Private Limited



Inox India Private Limited

KNOW MORE ABOUT INOX WIND

With more than a decade of experience, Inox Wind Limited (Inox Wind) today is one of the largest manufacturers of Wind Turbine Generators (WTGs) in India with 3 state-of-the-art manufacturing plants in Gujarat, Madhya Pradesh and Himachal Pradesh, with a cumulative manufacturing capacity of 1,600 MW.

Headquartered in Noida, we are a fully integrated wind energy solution provider engaged in providing services to IPPs, Utilities, PSUs, Corporates and Retail Investors. Additionally, through our subsidiary, Inox Wind Infrastructure Services, we provide turnkey solutions for wind farm projects. We offer services ranging from wind resource assessment, site acquisition to infrastructure development, erection and commissioning, long-term operations and maintenance services for wind power projects.

Over the years, we have established ourselves as a robust and dynamic entity in the wind energy market backed by our expertise, experience and deep domain knowledge.

Vision

To be amongst the leading renewable energy companies globally through technological and operational excellence.

Mission

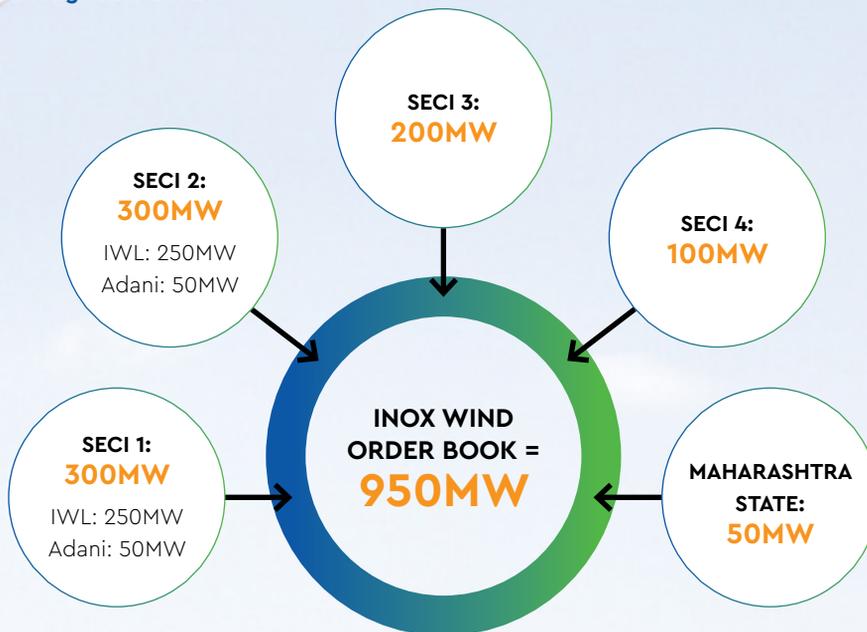
We seek to establish ourselves as a leading provider of integrated wind energy solutions in India and to expand to markets globally. We endeavour to align ourselves with the needs and values of all our stakeholders and we aim to achieve this by:

- Expanding and improving our existing manufacturing facilities
- Increasing our inventory of quality project sites

- Improving the cost-efficiency of power generation from wind energy while maintaining high quality standards and project execution capabilities
- Continuing to consolidate our position in the Indian market

Key Highlights for FY 2019-20

Strong order book



Particulars	Capacity MW
Auction based order book	950
Others	32
Supplied	(368)
Net order book	614
LOI for 3.3 MW from Adani	501.6
Agreement signed with leading MNC IPP for 3.3 MW	23.1
Order from Continuum	250
Total	1388.7

3

MANUFACTURING FACILITIES

~ ₹8,100 croreVALUE OF ORDER BOOK AS ON 31ST MARCH, 2020**₹76,019 lakhs**

REVENUE FROM OPERATIONS

Single-largest order

OF 250 MEGAWATT RECEIVED FROM CONTINUUM WIND

BUILT

one of the largest grid infrastructure

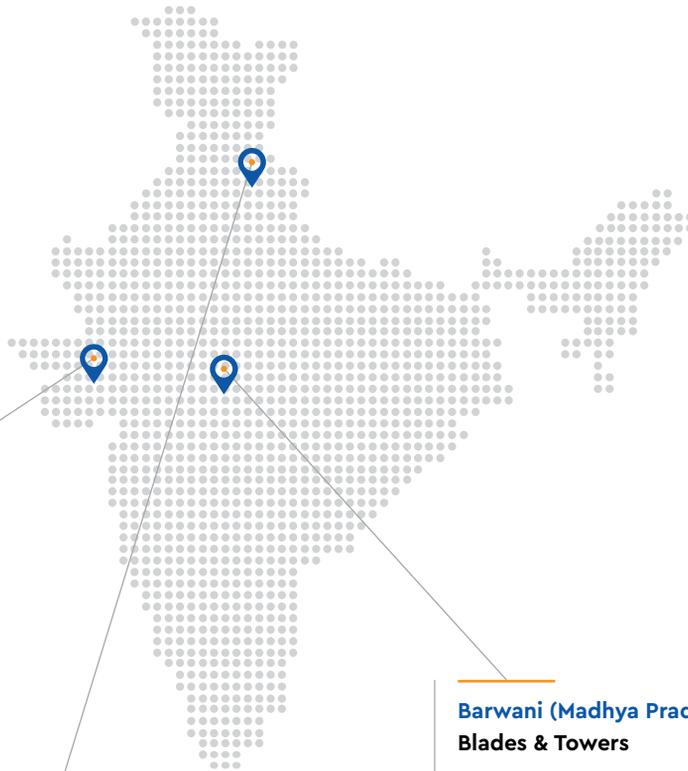
ON THE CENTRAL GRID, WITH A CAPACITY OF ABOUT 750 MEGAWATT AT BHUJ IN GUJARAT

MANUFACTURING EXCELLENCE

Inox Wind is a fully integrated company in the wind energy market with the ability to manufacture blades, towers, nacelles & hubs. Its state-of-the-art manufacturing plants, equipped with cutting edge technology cater to diverse needs. The facility at Una (Himachal Pradesh) specializes in manufacturing hubs and nacelles, while the one at Rohika (Gujarat) produces blades and tubular towers. The integrated manufacturing unit at Barwani (Madhya Pradesh) produces blades and towers.

At Inox, we manufacture the key components of WTGs in-house. This enables us to supply excellent quality and highly efficient products at competitive rates. In addition, our manufacturing units are ISO:9001:2015 certified, reiterating our commitment to adhere to superior standards of operation.

Our manufacturing details



Rohika (Gujarat)
Blades & Towers

800 MW

BLADE MANUFACTURING CAPACITY

300 MW

TOWER MANUFACTURING CAPACITY

Una (Himachal Pradesh)
Nacelles & Hubs

1,100 MW

NACELLE AND HUB CAPACITY

Barwani (Madhya Pradesh)
Blades & Towers

800 MW

BLADE MANUFACTURING CAPACITY

300 MW

TOWER MANUFACTURING CAPACITY

Products manufactured at our facilities



Nacelle and Hub

Located over a 17-acre plot in Una district of Himachal Pradesh, the state-of-the-art manufacturing facility manufactures nacelles and hubs. Our nacelles and hubs undergo more than 100 quality checks during different stages of production, to ensure

adherence to strict quality standards. The plant has the capacity to deliver both grid and captive power to ensure uninterrupted production. We have further built our capability in order to ensure smooth manufacturing of 3.3 MW wind turbine generators.



Rotor Blades

Our rotor blade manufacturing facility in Gujarat facilitates easier handling of rotors during transportation to project sites. This plant is located on a 30-acre

plot at Rohika, Ahmedabad. Equipped with advanced machinery and equipment including blade moulds, resin infusion machines, resin mixers,

sawing, drilling and cutting machines and vacuum equipment, it provides an ideal environment to manufacture excellent quality products.

We have a fully operational facility for manufacturing blades in Barwani, Madhya Pradesh for production of pioneering 100-meter and 113-meter rotor dia product. The facility aids transportation of equipment to various wind energy sites within the country. This facility is geared up for manufacturing of blades for 3.3 MW wind turbine generators.



Towers

Our manufacturing facilities in Gujarat and Madhya Pradesh manufacture wind towers. We utilize high precision rolling mills imported from Italy to maintain accuracy of the rolling process, an integral part of tower manufacturing. We manufacture towers with heights of

78 meters, 90 meters and have recently launched 120-meter hybrid and concrete towers. Our manufacturing facility is also ideally suitable for manufacturing 3.3 MW wind turbine generators.

A DIVERSIFIED PORTFOLIO OF PRODUCTS AND SERVICES

Products

Inox Wind produces some of the finest wind turbines and offers a diverse range of products including Inox DF 93, Inox DF 100 & Inox DF 113.

Let's take a look at some of its features -

Double Fed Induction Generator (DFIG) increases power output & reduces reactive losses	Superior power curves enable optimum power generation for low wind velocity sites in India	Patented integral drive train incorporates the rotor shaft and gearbox as a single unit to reduce the turbine weight and feature lesser number of moving parts. It eases the O&M process.
Features one of the largest rotor diameters in its class to deliver higher power output	Advanced electronic control systems ensure higher machine uptime	Technologically advanced wind turbines equipped with capacitors instead of battery banks to increase machine uptime

Services

Infrastructure Support & Capabilities

Infrastructure Support & Capabilities



- Meso scale mapping is used to identify suitable sites for wind farms
- For continuous wind data monitoring, we install wind masts in multiple states in India
- Based on detailed wind resource assessment, a suitable area is identified and acquired
- Thereafter, wind data is analysed with the help of renowned international consultants

Land Sourcing



- Owing to the typical nature of wind projects, it is necessary to deftly assess wind resources before installation. As WTGs need to maintain optimal distance from each other, these projects are spread over large tracts of land, to efficiently tap wind energy.
- Based on the results of the assessment, areas of interest are analysed to check its wind potential, availability of evacuation infrastructure, nature of available land, ease of accessibility, scope for movement of the WTG including accessories (logistics). With the help of advanced technology micro siting (or placement of the WTG for optimal energy production) is conducted to identify relevant plots

Infrastructure Development



- Our Wind Farm Identification procedure includes wind resource assessment, energy assessment of site, identification of land etc.
- We also study the nature of power evacuation required for a particular site, finalize the evacuation grid substation and land for the transmission line
- We undertake infrastructure development including development and construction of infrastructure for wind farm and land development to enable installation of WTGs
- We construct substations to ensure uninterrupted power evacuation to electricity grids and enable minimal electrical line losses throughout the life cycle of the project
- We build infrastructure for wind power projects, well in advance. Roads, pathways, pavements and platforms are constructed with an emphasis on delivering the highest levels of service while maintaining maximum safety during tower erection.

Installation and Commissioning



- We assist our clients for all government approvals including statutory approvals to install and operate a wind farm and support them for issues related to PPAs or WBAs with state distribution companies
- We carry out Engineering Procurement and Construction activities for manufacturing major components of WTGs, for laying tower foundations and for the supply, erection and installation of turbines, pre-commissioning and commissioning of WTGs etc.
- We also offer post commissioning support by assisting clients to avail renewable energy certificates, generation based incentives and clean development benefits

Operation & Maintenance

- We undertake Predictive and Condition Based Maintenance
- We deploy a dedicated on-site O&M team, available 24 × 7, for proper maintenance of the wind power plant (WPP) and to ensure maximum yield from the WPP
- We conduct Preventive Maintenance of Wind Turbine Generators, Unit Substations, High Tension Lines and Metering Points
- We also look after the upkeep & maintenance of Wind Power Plant infrastructure and evacuation facilities
- Inox Wind also undertakes SCADA operation of wind farm
- We initiate technical upgradation, whenever deemed necessary
- Emergency spare parts are kept handy, within the site, to ensure continuity of operations under all circumstances
- We undertake a proactive approach to benchmark our services
- Safety of man, machine and asset remain our highest priority

REALIZING THE POWER OF WIND

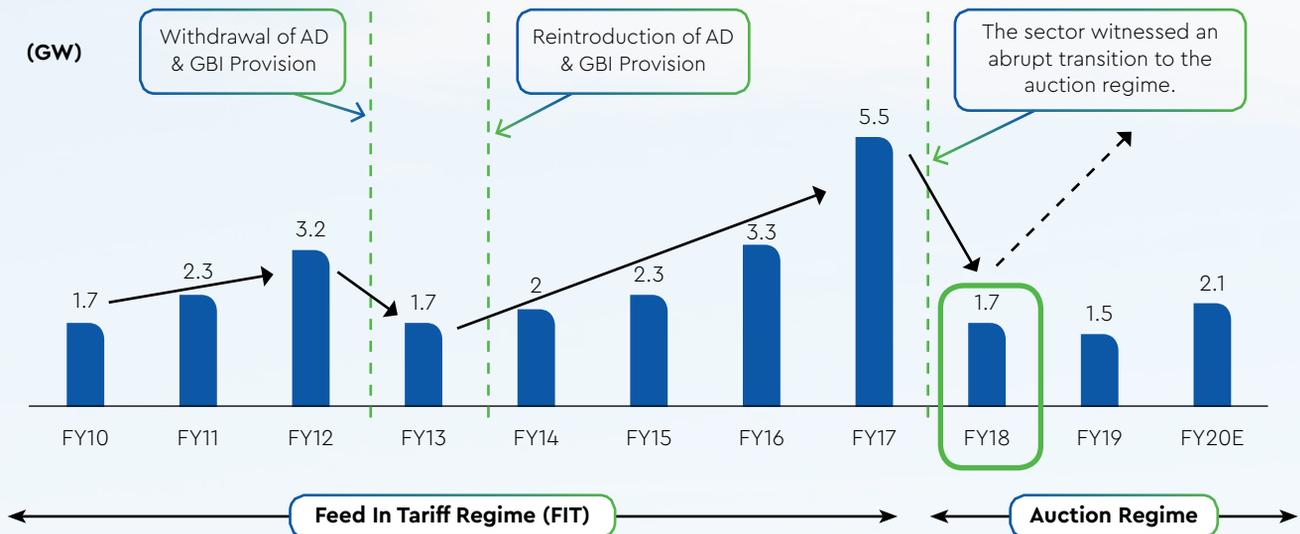
Acknowledging the need to adopt renewable sources of energy, a rapid shift towards the acceptance of wind and solar energy has been witnessed off late.

Wind energy is one of the key renewable sources of energy for power generation in India, contributing approx. 6-7% of the country's electricity requirements. With an installed capacity of 37.69 GW of wind energy as on 31st March, 2020,

the country ranks 4th in terms of wind energy installations after China, US and Germany.

The country is also one of the largest wind turbine production hubs, after

China, in the Asia Pacific region with an annual wind turbine manufacturing capacity of up to 10 GW.



In a recent development, the Ministry of New and Renewable Energy (MNRE) has acceded to the long pending demand of the industry to do away with tariff caps and has finally recommended the removal of tariff caps for tenders and the same has been implemented in the last tender (Tranche Nine). The determination of tariffs under the reverse auctions will now represent a 'true tariff' wherein everyone in the value chain including IPPs, the DISCOM and the OEMs be in a win-win position

and make reasonable and sustainable returns and at the same time generate power at competitive prices. The price discovered for wind energy in the recently concluded SECI IX auction awarded for 970 MW is ₹ 3.00 per KWh. The tariffs around this level will ensure sustainable EBITDA margins for OEM as well as IPPs.

The proposed amendments in the Electricity Bill 2020, aim to foster growth of the renewable energy

sector. Along with a strong focus on resolving recurring issues in the electricity generation, distribution and transmission business, the Bill aims to boost private participation in this space. It also focuses on cross border trade of electricity and aims to provide multiple opportunities for the growth of the Indian renewable energy sector.

Wind Auctions

New wind energy projects are being regularly added to a growing wind energy portfolio in India, almost entirely through competitive auctions hosted by the Solar Energy Corporation of India (SECI).

Auction	Period	Volume (MW)
SECI 1 – SECI 3	Feb'17 – Mar'18	4050MW
State Auctions	Feb'17 – Mar'18	1500MW
SECI 4	Apr-18	2000MW
NTPC	Aug-18	1200MW
SECI 5	Sep-18	1200MW
Hybrid 1	Dec-18	840MW
SECI 6	Feb-19	1200MW
Gujarat	May-19	745MW
Hybrid 2	May-19	720MW
SECI 7	Jun-19	480MW
SECI 8	Aug-19	440MW
Hybrid 3	Mar-20	1200MW
RTC 1	May-20	400MW
SECI 9	Aug-20	970MW
Total		16945MW

The ~17 GW projects awarded by the central nodal agency and state distribution utilities in the past 36 months is anticipated to reflect a capacity addition between FY21 and FY22. In addition, the government of India has announced wind auctions of 10 GW per annum till 2028, providing a huge impetus for the sector.

~10 GW

PROPOSED WIND AUCTIONS TO BE HELD EVERY YEAR TILL FY 28

~17 GW

AUCTIONS CONDUCTED IN LAST 36 MONTHS

PROFILE OF THE BOARD AND MANAGEMENT TEAM



Devansh Jain

Whole-time Director

- Has completed a Double Major in Economics and Business Administration from Carnegie Mellon University, Pittsburgh, USA
- Has over 12 years of work experience in various management positions
- He has been spearheading INOX Group's foray into the wind energy sector
- He has been on the National Council of Indian Wind Power Association and Honorary Secretary of Indian Wind Turbine Manufacturers Association
- Was awarded "Young Entrepreneur Award" at the AIMA Managing India Awards 2017
- Was featured in the Economic Times "40 under Forty - Celebrating Young Leaders" study conducted by Spencer Stuart in 2016
- Was awarded for his outstanding contribution to renewable energy at the Energy and Environment Foundation - Global Excellence Awards 2014
- Was awarded 'Wind Power Man of the Year 2012-13' at the annual event conceptualized by Global Energia



Kailash Lal Tarachandani

Whole-time Director & Chief Executive Officer*

- Holds a Bachelors Degree of Technology in Electrical Engineering from Indian Institute of Technology, Kanpur and a Master's Degree in Business Administration from INSEAD, France
- Has more than 25 years of experience in the field of strategy management, global project execution, product management, business development and was instrumental in building organisations, setting up their plants, acquiring technologies and developing their management team
- Prior to joining INOX Wind as Chief Executive officer (CEO) in May 2013, he was associated with Kenerseys Private Limited, Pune, Vestas Wind Systems, Alstom Power (Switzerland) and Larsen and Toubro Limited.

* Ceased as a Whole time Director/ Director w.e.f. 19th May, 2020 but continues as Chief Executive Officer



Vineet Valentine Davis

Whole-time Director*

- Holds a Bachelor's degree in Electrical Engineering from National Institute of Technology, Jamshedpur
- Has over 28 years of extensive experience in project development and engineering, project management, techno commercial operations, vendor management, logistics, construction and site management.
- He has been associated with Inox Group since 2012 and is spearheading the Company's operations team as Head Operations. He is also on the Boards of various Inox Group companies.

* Appointed as a Whole-time Director w.e.f. 19th May, 2020

PROFILE OF THE BOARD AND MANAGEMENT TEAM



Siddharth Jain

Non-Executive Director*

- Holds a Bachelor's Degree in Mechanical Engineering from the University of Michigan – Ann Arbor and holds a Master's Degree in Business Administration from INSEAD, France
- Has over 18 years of work experience in working with various business units across the INOX Group
- He is currently a Whole Time Director of Inox Air Products Private Limited and also holds Directorship in other Group Companies as well.

* Resigned w.e.f. 29th July, 2020



Shanti Prashad Jain

Independent Director

- Fellow Member of the Institute of Chartered Accountants of India
- Has more than four decades of experience as a Chartered Accountant and Direct Tax Consultant
- Senior Partner of firm M/s. Shanti Prashad & Co., Chartered Accountants, New Delhi
- He has specialised in taxation matter of various reputed companies and banks



Chandra Prakash Jain

Independent Director*

- Holds a Bachelor's Degree in Law & Advance Diploma in Management
- Fellow Member of the Institute of Chartered Accountants of India
- Former Chairman & Managing Director of NTPC Limited
- He was also the Chairman of the Standing Conference of Public Enterprises (SCOPE) for the period 2003-05
- Past member of the Standing Technical Advisory Committee of the Reserve Bank of India, Audit Advisory Board of the Comptroller & Auditor General of India
- In the past headed the CII's (Confederation of Indian Industries) 'National Committee on Energy'

* Ceased as a Director w.e.f. 21st October, 2019

PROFILE OF THE BOARD AND MANAGEMENT TEAM



Bindu Saxena

Independent Director

- Completed her Bachelor's in Commerce and Bachelor's in Law from Lucknow University.
- She is an Advocate and is a Partner of the Law firm M/s. Swarup & Company, New Delhi.
- Has over 28 years of experience as corporate attorney with experience of commercial transactions and projects in India and overseas.



Venkatanarayanan Sankaranarayanan

Independent Director

- Holds a Bachelor's degree in Commerce from Madurai University.
- He has wide exposure and experience of over 34 years in Finance and Taxation.
- He is on the Board of various companies including INOX Wind Infrastructure Services Limited and Triumph Trading Limited.



Narayan Lodha

Chief Financial Officer

- He is a Fellow Member of the Institute of Chartered Accountants of India and an Associate Member of the Institute of Company Secretaries of India.
- He has more than 20 years of rich experience in the areas of Fund Raising, Financial Planning, Reporting, MIS, Budgeting & Business Strategy, Banking & Finance, Cost Controls, Taxation, Auditing and Secretarial.
- He was previously associated as Chief Financial Officer of large infrastructure companies like Bhilwara Energy Limited.

CORPORATE INFORMATION

Board of Directors

Devansh Jain

Whole-time Director

Vineet Valentine Davis

Whole-time Director
(w.e.f. 19.05.2020)

Mukesh Manglik

Non-Executive Director
(w.e.f. 29.08.2020)

Shanti Prashad Jain

Independent Director

Bindu Saxena

Independent Director

V. Sankaranarayanan

Independent Director

Key Managerial Personnel

Devansh Jain

Whole-time Director

Vineet Valentine Davis

Whole-time Director

Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary
and Compliance Officer

Statutory Auditor

M/s. Dewan P.N. Chopra & Co.

Chartered Accountants
C-109, Defence Colony,
New Delhi - 110024
Tel: +91 11- 24645895/96

Board Level Committees

Audit Committee

Shanti Prashad Jain, Chairman
Bindu Saxena, Member
V. Sankaranarayanan, Member
Devansh Jain, Member

Nomination & Remuneration Committee

V. Sankaranarayanan, Chairman
Shanti Prashad Jain, Member
Mukesh Manglik, Member

Stakeholder's Relationship Committee

Shanti Prashad Jain, Chairman
Devansh Jain, Member
Vineet Valentine Davis, Member

Corporate Social Responsibility Committee

Devansh Jain, Chairman
Shanti Prashad Jain, Member
Vineet Valentine Davis, Member

Business Responsibility Committee

Devansh Jain, Member
Vineet Valentine Davis, Member
Mukesh Manglik, Member
Chief Financial Officer, Member

IWL Committee of the Board for Operations

Devansh Jain, Member
Vineet Valentine Davis, Member
Mukesh Manglik, Member

Bankers

Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IndusInd Bank Limited
Yes Bank Limited
RBL Bank Limited
The South Indian Bank Limited
State Bank of India
The Hongkong and Shanghai Banking Corporation Limited

Address for Investor Correspondence

Link Intime India Private Limited,
Noble Heights, 1st Floor,
Plot No. NH 2, LSC, C-1 Block,
Near Savitri Market,
Janakpuri, New Delhi - 110058

Any Query on Annual Report

Company Secretary,
Inox Wind Limited,
Inox Towers, Plot No. 17, Sector-16A,
Noida-201301, Uttar Pradesh

Plant Locations

Una Plant

Plot No. - 1, Khasra Nos. 264 to 267
Industrial Area, Village Basal, District
Una- 174 303, Himachal Pradesh

Rohika Plant

Plot No. 128, Ahmedabad-Rajkot
Highway, Village-Rohika, Tehsil- Bavla,
Ahmedabad

Barwani Plant

Plot No. 20, AKVN Industrial Area,
Relwa Khurd, Tehsil - Rajpur,
District Barwani - 451449,
Madhya Pradesh

Registered Office

Plot No. 1, Khasra Nos. 264 to 267,
Industrial Area, Village Basal,
District Una - 174303
Himachal Pradesh
Tel. / Fax No.: +91 1975 272001

Corporate Office

INOX Towers

Plot No. 17, Sector 16A,
Noida - 201301,
Uttar Pradesh
Tel. No.: +91 120 6149 600
Fax No.: +91 120 6149 610
Website: www.inoxwind.com
Registration No.: 031083
Corporate Identification
No.: L31901HP2009PLC031083

MANAGEMENT DISCUSSION & ANALYSIS

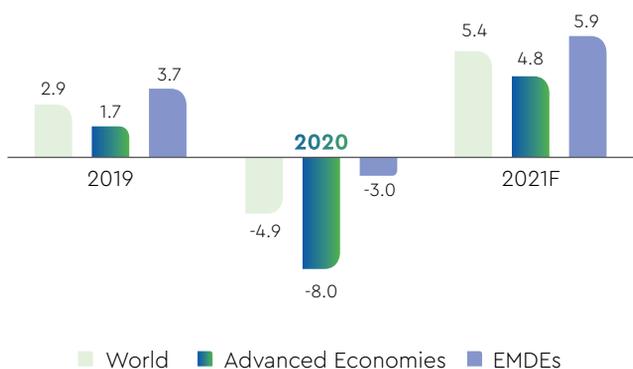
Global Economy Overview

Global economic growth settled at 2.9% in 2019¹. Market sentiment was boosted by tentative signs of recovery in manufacturing activity and global trade, a broad-based shift towards accommodative monetary policy, intermittent favourable news on US-China trade negotiations, and diminishing fears of a no-deal Brexit. However, these tailwinds could not arrest the economic slowdown in few emerging market economies like India and China.

The slowing industrial production resulted in a sharp decline in world trade, in comparison to the previous year. Higher tariffs and prolonged weak sentiments dampened domestic demand growth in countries around the world. The current wave of debt levels, which started in 2010, is sharply rising and is resulting in widespread panic due to a global economic slowdown. Emerging markets and developing economies (EMDEs) are also confronted with weak growth prospects, mounting vulnerabilities, and elevated global risks. However, favourable policies may alleviate the crisis to a certain extent.

In 2020, the prospects for global GDP growth remain dismal due to the coronavirus outbreak. Governments across the world are working to ensure effective and well-resourced

GDP Growth rate (%)



(Source: IMF World Economic Outlook June 2020)

public health measures to prevent infection and contagion, and implement targeted policies to support health care systems and workers, and protect the incomes of vulnerable social groups and businesses during the outbreak. As and when the pandemic is over and the lockdown is lifted, the world economy is expected to revive by the second half of 2020. The GDP growth is estimated to contract in 2020 to 4.9%. Favourable government policies and fiscal measures are likely to revive the world economy, which is expected to bounce back in 2021 to register growth of 5.4%².

Indian Economy Overview

The Indian economy started the fiscal year with uncertainties around the election, which resulted in volatile market conditions. The government introduced a flock of reforms to revive the economy, which was affected by slowdowns across industries. Measures such as reduction of lending rate and corporate tax rates, and infusion of ₹70000 crore in Public Sector Banks (PSB) to improve liquidity in the market, were aimed at reviving the economy. This helped India to rise to the 63rd position in World Bank's Ease of doing business report 2019, while becoming the 5th largest economy in the world, in terms of GDP.

The Indian economy registered a decline in GDP growth in FY 2019-20 and settle at 4.2%, in comparison to 6.8% in FY 2018-19³. Although it can be attributed to a slowdown in private consumption, investment and export, a liquidity crunch to produce goods and generate demand in the market remains the key factors contributing to this decline. Further, several core sectors including auto, real estate, and manufacturing saw a steep decline with domestic auto sales plummeting 11% Y-o-Y.

India stands at 63rd position in World Bank's Ease of doing business report 2019

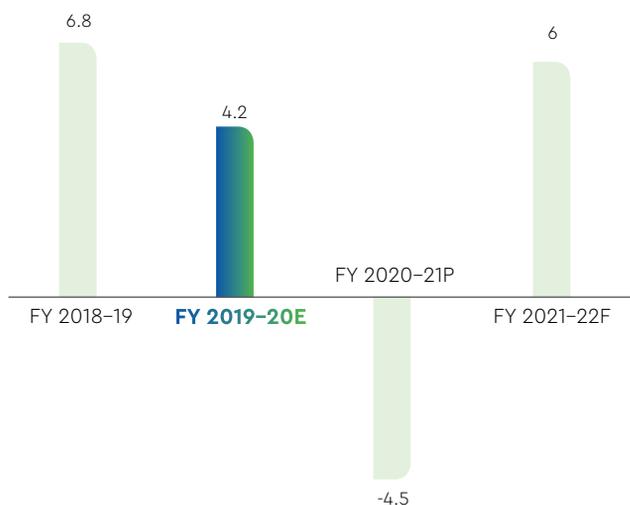
The Indian economy is going through a rough patch and the outlook for FY 2020-21 remains weak due to the COVID-19 outbreak. The lockdown imposed across the country has not only caused a disruption in the supply chain, but has also impacted overall economic growth. The pandemic resulted in domestic economic disruptions, it plummeted external demand, capital flow reversals, and led to a collapse of commodity prices. But, favourable outcomes from agriculture is likely to boost the economy. With the prediction of normal rainfall in India, in FY 2020-21, the Ministry of Agriculture has set a record target of 298.2 mn tonnes of crop production, which is anticipated to be achieved in the current fiscal⁴.

The Indian economy is expected to bounce back in the second half of the current fiscal. However, the GDP is expected to contract to 4.5% in FY 2020-21². Further, the government is working to improve liquidity in the economy through fiscal and monetary packages, which will in turn, help in economic revival. Going ahead, the economy is expected to bounce back, registering a GDP growth of 6% in FY 2021-22.

6%

GDP Growth rate for FY 2021-22

Indian GDP Growth Rate (%)



(Source: IMF World Economic Outlook June 2020)



Industry Overview

Energy Sector

The global energy mix comprises of oil, liquefied natural gas (LNG), coal, renewable energy, and electricity. The industry has seen many transformations over the years, and is primed for more change in the years to come. With a shift from fossil fuels to renewable energy, especially wind and solar energy, higher growth is anticipated in the renewable energy sector.

Global energy demand grew by 0.9% in 2019 and this was on account of slower economic growth and changes in weather conditions. In 2019, the drop in energy demand mainly impacted the coal and gas sector, while growth of other energy sources remained stagnant. Due to underperformance of coal and nuclear power plants, renewable energy and natural gas saw an increase in market share, with gas capturing 23% of the market share, followed by other renewable sources of energy at 14%. With the shift from thermal energy to renewable sources, the share of natural gas in total primary energy demand continued to increase, to reach 23%, while modern renewables comprised 10% of the demand in 2019⁵.

Global oil demand decelerated from 1.1 mb/d in 2018 to 0.8 mb/d in 2019, despite decreasing price, owing to a slowdown in economic activity and weakening demand. Global coal demand also fell to 1.7% in 2019 due to a rapid shift towards renewable energy consumption. However, the demand for renewable energy increased by 3.7% in 2019, marginally up from the previous year. The growth was pivoted on the rising use of renewable energy in electricity supply, and also due to widespread policy support for cleaner fuels and falling technology costs⁶.

⁴<https://economictimes.indiatimes.com/news/economy/agriculture/government-sets-foodgrain-production-target-at-record-298-3-mn-tonnes-for-2020-21-crop-year/articleshow/75182291.cms?from=mdr>

⁵<https://www.iea.org/reports/global-energy-review-2019>

⁶<https://www.iea.org/reports/global-energy-review-2019>

Demand Trends in 3 Major Economies⁷:

- **The United States of America (USA):**



The United States witnessed decline in energy demand by 0.6% in 2019 due to slowdown in the economy. The Shale Revolution in the US significantly increased production of oil and natural gas and contributed to a 20% drop in gas prices, favouring the switch from coal to gas in the power sector and expanding natural gas usage by 3%. Renewable energy grew even faster than natural gas, led by the power sector, where the share of renewables increased to 18%. Carbon emissions in USA is now down almost 1 Gt, from its peak in 2000, the largest absolute decline for any country over this period.

- **China:**



The energy demand in China remained stable at 3.4% as compared to 2018, despite lower economic growth. Economic stimulus for manufacturing increased the use of coal in industrial activities and oil for freight. The share of renewables and nuclear power in the total energy mix is expanding in China, bringing its share to 10%, up from 2% in 2000. China now accounts for 35% of global solar PV generation and 28% of global wind generation and the rapid growth was on account of the country's push towards low carbon energy sources in 2019. Power generation from solar PV rose by over 50 TWh and 40 TWh from wind, with nuclear power plants following suit. Seven large-scale nuclear reactors, commissioned in late 2018, recorded their first full year of operation in 2019 and China now accounts for 12% of the global nuclear power generation, up from only 3% in 2010.

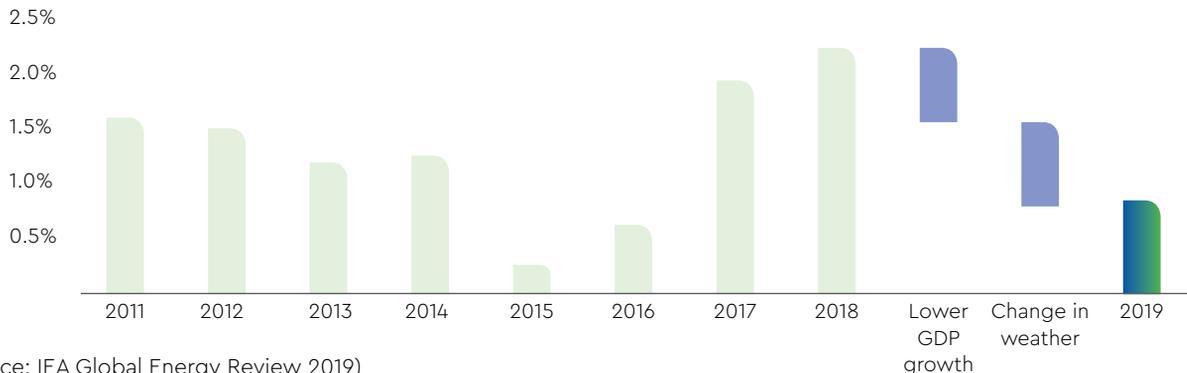
- **India:**



India's Energy demand grew by 0.9% in 2019, much lower in comparison to the average rate of 4% since 2000. The decline was largely on account of a slower GDP growth of 4.2%, down from 6.8% in 2018. The economic slowdown hit manufacturing output, which considerably fell during the second half of 2019. The power sector was significantly affected by regulatory payment demands for Discoms. Lower economic growth of industrial output also added to the fall in demand of electricity in 2019.



World energy demand growth rate, 2011-19



(Source: IEA Global Energy Review 2019)

⁷<https://www.iea.org/reports/global-energy-review-2019>

Outlook

Global energy demand declined by 3.8% in the first quarter of Jan-March 2020, with the decline mostly concentrated in the month of March due to containment measures enforced in Europe, North America and rest of the world on account of the unprecedented Coronavirus outbreak. Demand for Oil also plummeted and registered a decline of 5% in the first quarter of 2020, mostly due to breaks in mobility and almost no movement in the aviation sector, which account for nearly 60% of the global oil demand⁸.

Electricity demand also reduced by 20% or more, due to the lockdown, resulting in cascading effects on the overall power mix. Although the demand from residential units saw an uptick, it was not sufficient to outweigh the reduced demand from commercial and industrial operations. Demand for coal, gas and nuclear power based energy also weakened but, renewable energy sources witnessed a demand growth during this period. Higher installed capacity and easier dispatching mechanisms helped to meet requirements for renewable energy. Its demand is also expected to increase due to low operating costs and preferential access to several power systems.

The future of renewable energy looks quite prosperous due to capacity growth and announcement of new projects in 2020, which is expected to result in higher output.

India's Renewable Energy Market Overview

India was ranked the 4th most attractive renewable energy market in the world in 2019⁹. India's on grid installed capacity stood at 87.02 gigawatts (GW), as of March 2020. Solar and Wind energy comprise 34.63 GW and 37.69 GW, respectively, in the total share of the country's installed capacity, while Biomass and small hydro power constitute 9.87 GW and 4.68 GW respectively. Further, India plans to add 30 GW of renewable energy capacity along the western border of Gujarat and Rajasthan¹⁰ in the near future.

India's massive shift from coal based power plants to solar, wind and hydro-electric power unlocks a massive potential for sustainable growth and considerable reduction in carbon emissions. This has also improved India's ranking in terms of installed capacity. In 2018⁶, India ranked 4th in terms of installed wind power capacity and 5th in solar power generation. Taking cue from India's achievements, other emerging countries are also considering a shift from fossil fuel based energy to renewable energy sources. Going forward, it not only helps to reduce carbon footprints, it is also a step towards limiting global warming.

4th

most attractive renewable energy market in the world in 2019

Category	Mar-20				April 2019 – March 2020		
	Installed Capacity (MW)	Actual (MU)	Actual (MU) Same Month	% Of Last Year (2/3) 2018-19	Actual (MU)	Actual (MU) Same Period 2018-19	% Of Last Year (5/6)
Wind	37693.75	3398.68	2965.93	114.59	64639.43	62036.38	104.2
Solar	34627.82	5607.08	4307.98	130.16	50103.5	39268.2	127.59
Biomass	9875.31	280.09	255.32	109.7	2935.32	2763.82	106.21
Bagasse		1423.73	1814.86	78.45	10908.49	13562.67	80.43
Small Hydro	4683.15	553.9	473.06	117.09	9366.03	8702.75	107.62
Others	147.64	36.96	30.7	120.38	365.9	425.28	86.04
Total	87027.67	11300.45	9847.86	114.75	138318.66	126759.09	109.12

(Source: <http://cea.nic.in/reports/monthly/renewable/2020/renewable-03>)

⁸ IEA Global Energy Review 2020

⁹ Invest India.com

¹⁰ IBEF – Indian Renewable Energy Industry Report – March 2020 & CEA



Green Energy Transmission Corridor

A green energy transmission corridor has been planned to support India's mega target of improving its renewable energy capacity. The central government's Green Energy Transmission Corridor aims to improve interstate transmission capacity and thereby, unlock the potential for new renewable energy specific zones. Given the concentration of renewable energy rich states on the western and southern coasts of India, inter-regional capacity for transmitting power from energy surplus states to energy deficit states is likely to boost energy security and provide better load balancing capacity¹¹.

The project includes approx. 9400 ckm transmission lines and substations with a total capacity of 19000 MVA. It is anticipated to be completed by December 2020 and the project aims to evacuate 20,000 MW of renewable power. It will also help to initiate grid enhancements in states that will implement the project. The total cost of the project stands at ₹ 10141 crores and 40% of the funding will be borne by Government of India as Grants (total ₹ 4056.67 crores), 20% through state equity and 40% as loans from KfW, Germany (500 million EUR)¹².

Outlook

The GoI is committed to increase the use of clean energy and has undertaken several large-scale, sustainable power projects with an aim to promote green energy. The government has set a target to generate 175 GW of renewable energy by 2022, with solar energy contributing 100 GW to the mix and wind energy constituting 60 GW of the total share. The

government has further revised its target, to produce 275 GW of renewable energy by 2026–27 and 450 GW by 2029–30. Expansion and modernization of the national grid system, with rigorous planning and a more responsive transmission and distribution (T&D) grid market for timely supply of intermittent and clean power¹³, can help to achieve this objective.

With the growing population in India, the energy consumption is estimated to reach 15280 terawatt hour by 2040. Renewable energy is estimated to account for 55% of the total installed power capacity by 2030, favouring a positive outlook for renewable energy in the long term. To achieve India's ambitious target, a huge investment is required from a multitude of public and private financial institutions and non-banking financial corporations with innovative financing models. It is estimated that by 2028, an investment of US \$500–700 billion will be required to achieve the targets set by GoI. Such investments will also create ample employment opportunities in rural as well as in urban areas .

Currently, renewable energy contributes 23% of the overall demand for electricity and it is estimated to move up to 55% by 2030¹⁴.

The Ministry of New and Renewable Energy (MNRE) has acceded to the long pending demand of the industry to do away with tariff caps and has finally, recommended the removal of tariff cap for tenders and the same has been implemented in the last tender (Tranche Nine). It will enable market players to arrive at appropriate price points and improve participation in bidding processes. It will also provide necessary impetus

¹¹<https://mnre.gov.in/green-energy-corridor> {Status as on December 2019}

¹²<https://mnre.gov.in/green-energy-corridor> {Status as on December 2019}

¹³IBEF – Indian Renewable Energy Industry Report – March 2020 & CEA

¹⁴Ministry of Power and GoI

for the development of wind power projects, thereby contributing to the growth of the industry.

Further, the government's focus on 'Atma Nirbhar Bharat Abhiyan' is aimed at reviving an ailing economy. It focuses on making India self-sufficient and aspires to encourage local manufacturers and service providers. This move will provide the needed boost to renewable energy segment to grow as well as contribute to reduction in the segment's dependence on imports and will further boost exports from the country.

The government's efforts to create a conducive environment for industrial growth is anticipated to improve investor confidence in the near future. FDI investments in India have also increased and Private Equity & Venture Capital flows have become the largest component of FDI investments in India. This is expected to result in increase in domestic capital inflows in the country including in the renewable energy segment.

India's top power producing companies, including NTPC, Adani, Tata Power and JSW Energy, have announced major

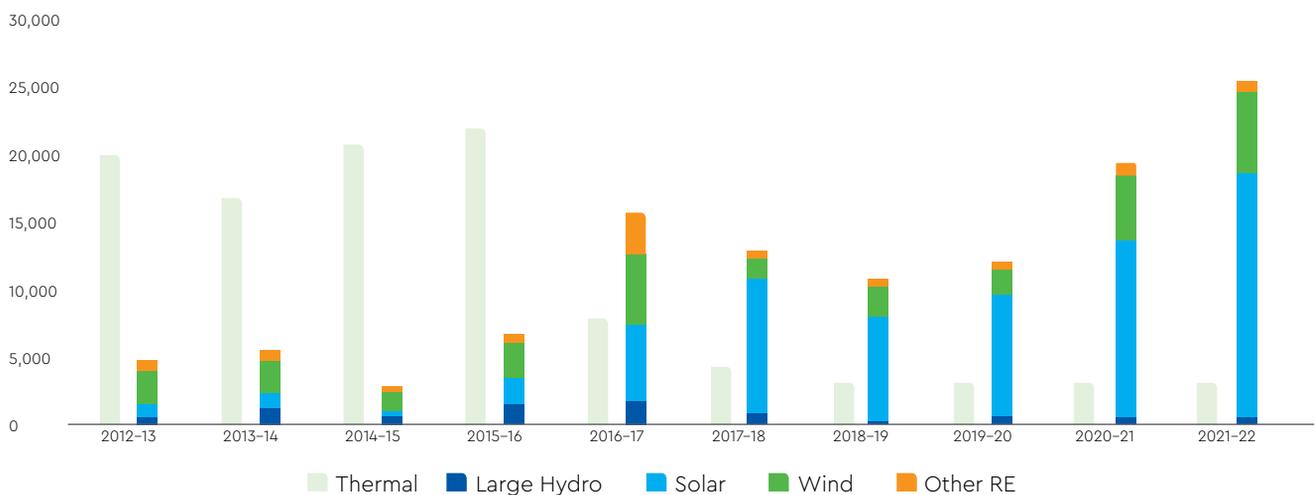
expansion plans in the renewable energy market. This is expected to have a significant positive impact on the growth of renewable energy in India.

The government has set ambitious targets to fulfil the country's growing energy demand with renewable energy. For the wind energy sector, the government aspires to reach a total wind capacity of 140 GW by 2030.

In order to fund expansion plans in the renewable energy sector, many investors are looking at establishing infrastructure investment trusts (InvITs). InvITs form an attractive option for providing easy access to long term funds for annuity projects. Major players in the renewable energy space have shown interest in the InvIT model for optimizing their funding cost as well as for improving returns and margins.

Investments by leading market players along with government impetus to boost the growth of clean energy is likely to foster next-level growth for the renewable energy sector in India.

India Thermal and Renewable Power Capacity Additions (MW)



Wind Energy

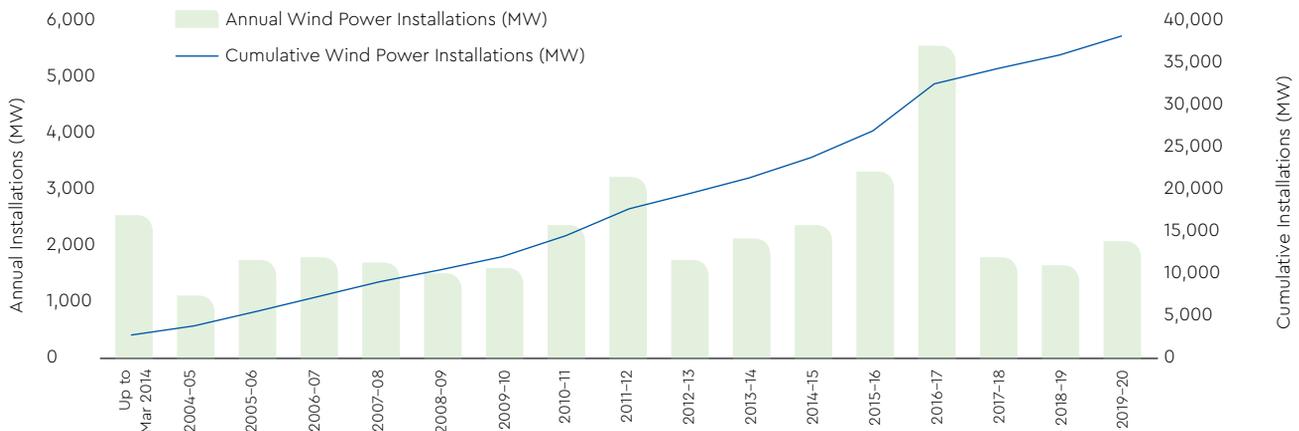
India ranks 4th in terms of wind energy installations after China, US and Germany. Wind power is one of the key renewable energy sources for power generation in India, contributing approx. 6-7% of the country's electricity requirements. In FY 19-20¹⁵, wind energy continues to be the biggest contributor to the total renewable energy mix, with an approx. 46% share, followed by solar at 36%. Favourable government policies and regulations such as accelerated depreciation and exemption of concessional customs duty for procuring certain components of wind electric generators, as well as the power Generation Based Incentives (GBI) have largely augmented growth of this sector in India.

The Wind energy sector was grappling with slowdown in the economy, low tariffs, curtailment, infrastructure constraints, and a plethora of duties and tariffs. Despite of the headwinds, India is the one of the largest wind turbine production base after China in the Asia Pacific region, with annual wind turbine manufacturing capacity up to 10 GW. In FY 2019-20, total wind power capacity installed stood at 2.07 GW, an increase of 31% over previous year, leading to cumulative wind power generation capacity at 37.69 GW as on 31st March, 2020. Tamil Nadu stood as the foremost wind installer accounting for nearly 25% of the cumulative wind installations as of 31st March, 2020. Gujarat emerged as the second leading state accounting for 20% of the total wind installations in the country¹⁶.

¹⁵<http://www.inwea.org/wind-energy-in-india/wind-power-program/>

¹⁶<https://mercomindia.com/2-07-wind-power-capacity-installed-india/>

India: Wind Power Installations (MW)



(Source: <https://mercomindia.com/2-07-wind-power-capacity-installed-india/>)

Outlook

India continues to invest in renewable sources of power with a focus on affordability, energy security and environmental sustainability. Through its Make in India initiatives, India is poised to become a manufacturing hub for the wind industry and is emerging as an important part of the global supply chain. Global wind turbine makers are expanding manufacturing capacities in India to boost exports, relying on competitive production cost and a strong focus on engineering innovative products¹⁷.

India's wind energy capacity will fall to 1.95 GW from 2.10 GW, for CY 2020, due to the lockdown imposed across the country on account of the Coronavirus outbreak. However, the loss is likely to be recovered in the long-term with the government's target of harnessing 60 GW wind energy by 2022. Further, MNRE has issued bids for 15,100 MW wind power projects and has awarded projects with a cumulative capacity of 12,162.50 MW till December 2019. The wind energy sector is anticipated to grow further with a pipeline of projects to be awarded in the days ahead¹⁸.

Offshore wind project

The government launched the National offshore wind energy policy in 2015 to promote it as an alternative for onshore wind energy. India is gifted with a long coastline of about 7600 km and is extremely well positioned to harness offshore wind energy. The Ministry of New and Renewable Energy has set a target of 5 GW of offshore wind installations by 2022 and 30 GW by 2030, to boost investor confidence and promote project developments in India.

Moreover, offshore projects prove to be plausible alternatives to onshore projects because land resources required for

The Ministry of New and Renewable Energy has set a target of 5 GW of offshore wind installations by 2022

onshore projects are gradually becoming a major constraint. On the contrary, offshore projects benefit from the absence of any obstruction in the sea, allowing them to utilize the unhindered flow of wind for conversion to electrical energy. Therefore, offshore projects are more likely to help the government achieve its target¹⁹.

Opportunities in the Wind Energy Sector

- Advanced Technology deployment:** The wind power sector in India has undergone a major transformation, from tax-credit driven investments to mainstream IPPs. This has led to the setting up of large wind farms that deploy latest technology and practices including larger MW class wind turbines, inclusive O&M practices for plant life, use of logistics tools for construction and maintenance, and seamless grid integration.
- Government Policies:** The new policies announced in line with the government's 'Make in India' initiative aims at improving the scope of operations in this sector. To boost export, the government is planning to introduce large scale production of wind energy equipment in Indian facilities and it is likely to reduce the cost of equipment, thereby making it lucrative for customers from around the world. Besides, the government's wind energy policy also entails installation of wind farms with high capacity, within a limited budget, to create large scale employment opportunities in private and government firms.

- **Huge Untapped Potential:** India has the potential to harness 302 GW of power above 100 meter sea level. With proper infrastructure and investment, it opens up a huge market for both private and public players, to cater to India's rising energy demand²⁰.
- **Offshore Wind Energy Projects:** With more than 25 years of experience in wind farm installations, India is quite competent in managing the supply chain. Offshore wind projects pose excellent alternatives for onshore wind energy projects, as paperwork and clearance issues often raise questions about the viability of onshore projects.
- **Electricity (Amendment) Bill**
The Ministry of Power introduced the Electricity (Amendment) Bill, 2020 to address recurring issues and to encourage private players to enter the electricity generation, distribution and transmission market. It seeks to promote a legal and administrative ecosystem which harbours special attention for renewable energy. It also focuses on cross border trade of electricity, which presents growth opportunities for the Indian renewable energy sector.

- **Hybrid Tenders**

The concept of hybrid tenders has been recently introduced in the wind energy sector. These hybrid tenders are expected to lead to benefit in terms of overall cost optimization of the project as well as ensure consistent generation of energy round the clock. SECI has so far tendered ~2.6 GW of solar wind hybrid projects under the ISTS program. These tenders are likely to lead to wider use of wind energy, given its benefits, providing opportunities to wind sector players to further expand their operations while ensuring profitable growth.

Challenges in the Wind Energy Sector

- **Land and infrastructure availability:** With the announcement of several mega tenders for solar and wind power projects, intense competition for suitable land with high wind speeds and grid connectivity has been noticed, making land acquisition within stipulated timeframes an arduous task for developers. Most of the land in regions with high wind speed and access to transmission grids have been used up. Hence, it has become imperative to boost the capacity of existing

substations or set up new plants, which is likely to further delay the commissioning of plants.

- **Lack of regional cooperation:** Lack of an effective mechanism to ensure regional cooperation for enabling seamless exchange of power leads to the simultaneous creation of power surplus and power-deficit regions. In the absence of an effective framework to facilitate inter-regional and inter-state exchange of electricity, it is difficult to transmit energy to power-deficit regions. As a result, wind energy is often harnessed in certain regions and without access to robust markets or regulatory mechanisms, it can lead to surplus wind power in some regions and hamper demand from distribution companies (discoms) in the region.
- **Financial health of discoms:** The poor financial condition of discoms has resulted in delayed payments for wind power producers. However, this is mitigated to a large extent through central auction (SECI tenders) wherein PPAs are signed with SECI instead of State Discoms.

Company Overview

Among the largest manufacturers of Wind Turbine Generators (WTGs), Inox Wind Limited (IWL) is a fully integrated wind energy solutions provider. Offering services to IPPs, utilities, PSUs, Corporates and Retail Investors, the Company provides Engineering, Procurement and Commissioning (EPC), Operations and Maintenance (O&M), and infrastructure facilities for WTGs. With its three state-of-the-art manufacturing plants in Gujarat, Himachal Pradesh and Madhya Pradesh, the company ensures quality and cost-competitiveness while ensuring superior performances.

Key differentiating factors

- **Cost Competitive:** IWL manufactures best-in-class technology products which are high quality products and provide fully integrated services, enabling company to manufacture cost effective products.

IWL is an ISO 9001:2015 certified company and adopts the highest standards of quality across all its business units

¹⁷<https://theprint.in/india/foreign-firms-look-to-make-india-global-wind-turbine-export-hub/269883/>

¹⁸PIB.gov.in and MNRE

¹⁹<https://mnre.gov.in/wind/offshore-wind/>

²⁰IBEF - Indian Renewable Energy Industry Report - March 2020 & CEA

- **Strong Parent Company:** Inox Group is a diversified conglomerate with presence in various industries including fluorochemicals, leisure and movies, Wind energy products etc. With trust on the Group, IWL has leveraged the brand name and have established its own identity in the market.
- **Quality Control:** IWL is an ISO 9001:2015 certified company and adopts the highest standards of quality across all its business units. The Company has received various awards for its quality standards including ISO: 9001: 2015 certification.
- **Strong order Book Value:** IWL has a strong order book of 1388.7 MW, out of which 368 MW has been supplied until March 2020. Riding on its strong order book, the Company is expected to fetch high revenues in the next few years.
- **Robust Annuity Model:** The Company's O&M business is based on strong annuity model. IWL has multi-year O&M agreements for its fleet across customers. Starting from FY 2020-21, a significant part of wind turbine generators will be beyond the free O&M warranty period. Moreover, with the increase in the fleet size on the back of strong auction order inflow, the company expects this revenue stream to pick up strongly in the coming years. O&M revenues are non-cyclical in nature and have steady cash flow generations and higher margins. The company's O&M business gives it a real significant opportunity for monetization and has the potential for significant organic and inorganic growth.



Turnkey Solutions

The company is India's leading wind energy solutions provider, servicing IPPs, Utilities, PSUs, corporates and retail investors. It engages in all aspects of wind power projects, from concept to commissioning and operation and maintenance. Its solutions encompass a wider area of operation and includes energy assessment, power evacuation, wind studies, statutory approvals, land acquisition, maintenance of wind farms, supply of WTG, erection and commissioning and long term operation and site infrastructure development.

Manufacturing Facilities

The company is a fully integrated player in the wind energy market with state-of-the-art manufacturing facilities for blades and tubular towers at Rohika (Gujarat), hubs and nacelles at Una (Himachal Pradesh) and an integrated manufacturing unit at Barwani (Madhya Pradesh) for developing nacelles, hubs, blades and towers.

It has also taken a manufacturing facility on lease for manufacturing nacelles and hubs at Bhuj, Gujarat. This facility will incur significant savings in terms of inward and outward logistic costs and initiate improvements in the working capital cycle.

Capacity Mix

Plant Location	Una, Himachal Pradesh	Rohika, Gujarat	Barwani, Madhya Pradesh	Total
Nacelles & Hubs	1,100	-	-	1,100
Blades	-	800	800	1,600
Towers*	-	300	300	600

* Tower capacity can also be outsourced depending on project location

Operational Highlights

To improve its operational performance the Company relies on its expansion plans, growing order book, strategic tie ups, product launches and larger service platforms.

During the year, the company remained focused on commissioning the SECI-I projects and collecting significant receivables against them. Over the course of the year, Inox Wind has commissioned about 250 megawatts of SECI-projects. It has also built one of the largest grid infrastructures on the central grid, with a capacity of about 750 megawatt, to be used on a plug and play basis going forward. This is anticipated to provide the Company a significant edge in the years to come.

Marking an incredible achievement in the history of the Company, Inox Wind received its single largest order ever of 250 megawatt from Continuum Wind, a company backed by Morgan Stanley. The Company has commenced project execution at the beginning of Q1 of FY 2020-21.



The Company also focused on its 3.3 megawatt turbine, which is expected to be launched very soon. Inox Wind will start serial supplies for these turbines within FY 2020-21. It is among the largest wind turbines in India and is likely to be the most competitive turbines globally. The company has already received multiple LOIs for this turbine. The Company also aims to create a larger O&M platform and therefore, remains committed to leverage its existing 2.7 - 2.8 gigawatt platform to considerably improve stakeholder value.

Inox Wind received its single largest order ever of 250 megawatt from Continuum Wind, a company backed by Morgan Stanley

Financial Performance

During the year under review, the company witnessed a de-growth in its revenue and EBITDA on account of delay in post central grid availability due to which the company utilized its resources to complete projects under SECI-1. The focus was on commissioning these projects and collecting receivables. Apart from this, the business experienced abrupt stoppage for around three years due to sectoral issues, related to policy changes pertaining to the abrupt shift from FIT regime

to reverse auction regime which resulted in cancellation of orders bagged by the Company during FIT regime.

Although, as positive developments have begun for the company, it is now poised to ramp up new supplies and execution. There has been an overall continuous improvement in working capital cycle which stood at ₹ 152 crores in FY20 as compared to ₹ 1, 213 crores in FY19. The company focused on constant reduction in net debt year-on-year, which stood at ₹ 634 crores in FY20 as compared to ₹ 916 crores in FY19.

Particulars (On consolidated basis)	FY 2019-20	FY 2018-19	(%) Change
Revenue from Operation (₹ in Lakhs)	76,019	143,744	(47)%
EBITDA (with exceptional provision)(₹ in Lakhs)	(10,574)	17,256	(161)%
PBT (₹ in Lakhs)	(42,981)	(6,211)	(592)%
PAT (₹ in Lakhs)	(27,840)	(3,934)	(608)%

Key Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations. The key financial ratios are given below:

Ratios (On consolidated basis)	FY 2019-20	FY 2018-19	(%) Change
Current Ratio (in times)	0.92	1.29	(29)%
Operating Profit Margin (%)	(24)	7.4	(430)%
Net Profit Margin (%)	(37)	(2.7)	1243%
Interest Coverage Ratio (in times)	(0.76)	0.63	(221)%
Inventory Turnover (in Days)	607	324	87%
Return on Net Worth (%)	(17)	(2)	736%

The reason for variance have been mentioned in the above paragraph.

Material Development in Human Resources/ Industrial Relations

IWL has always aimed to build a culture that establishes world-class standards in safety, environment and sustainability. The Company considers its people to be its most valuable asset and is therefore, committed to provide a safe and healthy working environment for its workforce. The company significantly invests in training and skill development of its people, thereby increasing their confidence, loyalty and team spirit. The Company also emphasizes on talent nurturing, retention and engagement in a constructive relationship with employees, to focus on enhanced productivity and efficiency. IWL believes in transparency and an open door policy, encouraging employee suggestions that are valued and implemented to instil positive changes in the organization. As on 31st March, 2020, the employee strength at IWL was 1225 people.

Risk Management

IWL has a vigorous risk mitigating strategy to monitor internal and external threats and proactively addresses challenges to ensure business continuity. The Company's risk-management framework is simple, consistent and clear, enabling an efficient mechanism for managing and reporting risks. Some of the business risks that the company may face is given below:

Technology Risk

Definition: The technology landscape is evolving at an extremely rapid pace and it is important for the Company to keep itself up-to-date with latest and improved technologies. The Company's inability to provide latest technology WTGs may adversely impact its operations.

Mitigation: The Company has sourced technology from AMSC, a leading wind energy technology company, for exclusive manufacturing of 2 MW and 3.3 MW wind turbines in India. The Company also possesses non-exclusive license to manufacture 2 MW WTGs worldwide, based on AMSC's technology. Further, the Company also has a non-exclusive license from WIND Novation Engineering Solutions GmbH, Germany, to manufacture rotor blade sets of various sizes. The license is a testimony to its ability to provide best-in-class products with a reliance on superior technology. It also enables the Company to achieve efficient power curves, improved up-times and reduced operation and maintenance costs.

Project execution risk

Definition: Delays in obtaining permissions like land clearance certificate and building construction permit, may result in project delays. Further, inability to get timely clearances for project execution can hamper the profitability of the company. Other risks associated with the project life cycle include extreme climatic and environmental conditions, availability of grid capacity for evacuation, availability of suitable land resources and timely execution of project activities by subcontractors.

Mitigation: The Company undertakes regular monitoring of project progress in light of the agreed plan to ensure timely completion of the project. Further, the company also carries out various assessments and studies to study the patterns for power execution options at the site. Such studies and analysis reduces the risk of project failure.

Human Resource Risk

Definition: Given the nature of the Company and technicality of its operations, it is extremely important for the Company to attract and retain employees with the required expertise and knowledge. Inability of the Company to retain and attract skilled manpower or inadequacy to provide required technical training to employees might have an adverse impact on the Company's operations, and in turn may impact profit.

Mitigation: The Company has a strong human resource team which ensures recruitment and retention of key employees with the right skills and expertise. The Company also undertakes a range of training and development initiatives to increase the skills and competencies of its employees, in alignment with the needs of a changing business environment.

Regulatory Risk

Definition: The regulatory environment has been constantly changing and any unfavourable changes in import policy, wind policy, or other policy amendments related to power evacuation facilities might have an adverse impact on the Company.

Mitigation: The Company proactively monitors the changes in the regulatory environment and takes necessary actions. It also obtained required approvals for turbine manufacturing and power evacuation. This secures the Company against any unfavourable policy changes in future to a great extent.

Product Development Risk

Definition: IWL operates in a highly competitive and innovative industry. It is vital for the Company to design, develop and market its new, innovative and cost efficient wind turbine systems, to maintain its competitive edge.

Mitigation: The Company undertakes a detailed market research analysis to understand the changing preference of its customers. It also has in-house manufacturing facilities for key components of WTGs, ensuring production of high quality products at competitive rates. Further, it constantly invests in designing and development of new wind =turbines to maintain its market position.

Road Ahead

Post the painful transition period which lasted almost two and half to three years, Inox Wind is well poised and optimistic to capitalize on the growing opportunities in the wind sector. Despite facing multiple headwinds in FY20, the sector looks buoyant. The Ministry of New and Renewable Energy (MNRE) recently decided to remove the upper tariff limit for reverse auctions, paying heed to a long pending industry demand.

The determination of tariffs under the reverse auctions will now represent a 'true tariff' wherein everyone in the value chain be it the IPP, the DISCOM or the OEM will be in a win-win position and make reasonable and sustainable returns/get power at competitive rates. As expected, the recent discovery of tariff for wind energy in the recently concluded SECI IX auction awarded for 970 MW is ₹ 3.00 per KWh. The tariffs around these levels along with the Company's new 3.3 MW Wind Turbine platform will ensure sustainable EBITDA margins for Inox Wind as well as IPPs.

The second significant macro development in the industry is the upcoming amendments in the Electricity Act. This is expected to significantly increase the penalties for non-compliance of RPOs and give a significant fillip to demand for renewable energy across India and particularly in those states which are non-windy states beyond Tamil Nadu and Gujarat.

The Company has leased a new additional manufacturing facility at Bhuj, Gujarat for manufacturing Nacelles & Hubs which will lead to considerable cost savings for the company, across its logistics supply chain. It will also ease operational hurdles in the supply chain and enhance savings of working capital as the plant has an ideal location close to most of the company's project sites in Gujarat.

As an economical wind turbine producer, the company has multiple opportunities in this space. With its 3.3 MW Wind Turbine Platform, Inox Wind is likely to benefit from auctions and achieve sustainable margins in future. The Company has also recently concluded deals with Adani, ReNew Power and Continuum Wind, which is anticipated to improve its prospects further. Repeat order from Continuum Wind accounted for the single largest order received by the company, improving its financial position considerably.

Once supply commences from the 3.3 MW WTGs, it will be amongst the most competitive WTGs in the Indian market, improving margins and addressing any potential issues arising from lower tariffs. Apart from this, the O&M business offers a significant opportunity for monetization and has the potential to deliver considerable organic and inorganic growth. The

company will also continue to focus on optimising costs and improving its working capital to capitalize on new opportunities for growth and development. Given multiple opportunities in the industry along with various government initiatives such as 'Atma Nirbhar Bharat Abhiyan' which is aimed at making India self-reliant while emphasizing on domestic manufacturers and service providers, the Company is well positioned to thrive in the future. Further, the investment commitment made by major players and announcement of hybrid tenders is expected to auger well for the industry as well as the Company.

Internal Control System & their Adequacy

The company is equipped with strong and improved internal control systems and processes. The enhanced control systems ensure compliance with all applicable laws and regulations in the sector in which the Company operates and ensures optimum utilisation of resources. The Company has implemented a comprehensive internal audit system and has appointed Independent firms of Chartered Accountants as Auditors to conduct the Internal Audit function.

The Audit committee regularly monitors and reviews the internal audit process. The observations and recommendations made by the Internal Auditors are also reviewed by the Audit Committee. The Company has additionally developed robust financial and management reporting systems. It constantly works on improving the systems and processes.

Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

NOTICE

INOX WIND LIMITED

(CIN: L31901HP2009PLC031083)

Registered Office: Plot No. 1, Khasra Nos. 264 to 267, Industrial Area,
Village Basal- 174303, District Una, Himachal Pradesh, India

Telephone/ Fax: +91 1975 – 272001

Website: www.inoxwind.com **Email:** investors.iwl@inoxwind.com

NOTICE is hereby given that the **Eleventh Annual General Meeting** of the Members of Inox Wind Limited will be held on **Wednesday, 23rd September, 2020 at 3:00 P.M. (IST)** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To consider and adopt:

- a. Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020, the reports of the Board of Directors and Auditors thereon; and
- b. Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the report of the Auditors thereon.

SPECIAL BUSINESS

2. Appointment of Shri Mukesh Manglik (DIN:07001509) as a Director of the Company

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time,

Shri Mukesh Manglik (DIN: 07001509) who was appointed by the Board of Directors as an Additional Director of the Company (Category: Non-Executive Non Independent) with effect from 29th August, 2020 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and are hereby authorised to do all such acts and take all steps as may be necessary, proper and expedient to give effect to this Resolution."

3. Approval of Material Related Party Transactions

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and the Company's Policy on Materiality of Related Party Transactions, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company in respect of the contract(s)/ arrangement(s)/ transaction(s) entered into by the Company with Gujarat Fluorochemicals Limited, being a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, for sale of Wind Turbine Generators and associated assets on a consideration value and other main terms and conditions as detailed below, which are in the ordinary course of business of the Company and at arm's length basis:

Name of the Related Party & Nature of Relationship	Nature of transaction	Duration of the Contract/ Arrangement	Value of the contract (₹ in Lakhs)
Gujarat Fluorochemicals Limited (GFCL) (Fellow subsidiary company)	Sale/supply of Wind Turbine Generators for the Captive Power Plant Project and related transactions including interest, advances etc.	On or before 31 st December, 2021, subject to extension of time mentioned in the purchase orders.	73,163.82"

"**RESOLVED FURTHER THAT** the Board of Directors (including its Committee thereof) be and are hereby authorized to negotiate and finalize the terms and conditions of the above contract(s)/ arrangement(s)/ transaction(s) with GFCL within the aforesaid limits and to do all such acts, deeds, matters and things including amendment(s) or modification(s) thereto as may be considered necessary, relevant and expedient to give effect to this Resolution."

4. Ratification of payment of remuneration payable to M/s. Jain Sharma and Associates (Firm Registration No. 000270), Cost Auditors of the Company for the Financial Year ending on 31st March, 2021

To consider and if thought fit, to pass, 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 ₹ 1,87,000 (Rupees One Lakh and Eighty Seven 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 31st March, 2021, 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 steps as may be necessary, proper and expedient to give effect to this Resolution."

5. Appointment of Shri Vineet Valentine Davis (DIN:06709239) as a Director of the Company

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Vineet Valentine Davis (DIN:06709239) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 19th May, 2020 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorised to do all such acts and take all steps as may be necessary, proper and expedient to give effect to this Resolution."

6. Appointment of Shri Vineet Valentine Davis (DIN:06709239) as a Whole-Time Director of the Company

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Vineet Valentine Davis (DIN:06709239) be and is hereby appointed as a Whole-time Director of the Company for a period of 2 (two) years with effect from

19th May, 2020 on such terms and conditions including remuneration as set out below:

Remuneration: Upto ₹ 54 Lakhs per annum (including performance link variable remuneration of ₹ 5.60 lakhs) (with annual increment as may be decided/ approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee)

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company.

Leave encashment shall be payable in addition to the aforesaid remuneration as per the rules of the Company. Gratuity shall be payable in addition to the above remuneration at the rate of half month's salary for each completed year of service. Other allowances/special incentives/ awards/ perquisites/ facilities shall be payable in addition to the aforesaid remuneration as per the rules and regulations of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorised to do all such acts and take all steps as may be necessary, proper and expedient to give effect to this Resolution."

7. Approval of payment of remuneration to Shri Devansh Jain, Whole-Time Director of the Company, for the Financial Year 2019-20, as per Schedule V of the Companies Act, 2013

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as detailed below, paid to Shri Devansh Jain (DIN: 01819331), Whole-time Director of the Company, for the Financial Year 2019-20, be and is hereby approved.

Remuneration: ₹ 92.64 Lakhs

Perquisites:

Company's car with driver, telephone facility, contribution to provident fund and other perquisites including medical expenses reimbursement and leave travel concession as per

the rules of the Company. Use of car and telephone for the Company's business will not be considered as perquisites. All the perquisites and benefits are to be evaluated as per the Income Tax Act, 1961 read with Rules thereunder.

Leave encashment in addition to the aforesaid remuneration as per the rules of the Company. Gratuity in addition to the above remuneration at the rate of half month's salary for each completed year of service."

"**RESOLVED FURTHER THAT** all the terms of the resolution passed by the Members of the Company at their 8th Annual General Meeting held on 26th September, 2017, approving the re-appointment and the remuneration payable to Shri Devansh Jain, remains unaltered."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and are hereby authorised to do all such acts and take all steps as may be necessary, proper and expedient to give effect to this Resolution."

8. Approval for increase in the limits applicable for making investments/ extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include IWL Committee of the Board of Directors for Operations or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this Resolution), to:

- (i) give any loan to any person or other body corporate;
- (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person; and
- (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate

as they may in their absolute discretion deem beneficial and in the interest of the Company, subject, however, that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 1,000 Crore (Rupees One Thousand Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013."

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

9. Approval to give loan to or guarantee or security in connection with loan availed by, any person in whom the Director is interested under Section 185 of the Companies Act, 2013

To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include IWL Committee of the Board of Directors for Operations or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this Resolution) to give from time to time any loan(s) including any loan(s) represented by a book debt to, and/ or give any guarantee(s) and/ or provide any security(ies) in connection with any loan(s) taken/ to be taken from any bank or financial institution or any other lending institution/ body corporate/ company/ person by, Inox Wind Infrastructure Services Limited or any other person/ entity in whom any of the Director of the Company is interested/ deemed to be interested, up to a sum not exceeding ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore Only) at any point of time, in its absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrower for its principal business activities."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to negotiate, finalise, agree the terms and conditions of the aforesaid loan(s)/ guarantee(s)/ security(ies) and to do all such acts and take all steps as may be necessary, proper and expedient to give effect to this Resolution."

10. Authorisation for issuance of equity shares/ other securities up to ₹ 200 Crore

To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 23, 42, 62, 71 and other applicable provisions of the Companies Act, 2013, as amended (hereinafter referred to as "the Act") and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the applicable provisions of the Securities and Exchange Board of India Act, 1992, as amended and rules and regulations made thereunder, the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made thereunder and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI), the BSE Limited, the National Stock Exchange of India Limited and/or any other competent authorities, and subject to approval from all other appropriate statutory and regulatory authorities, as may be applicable or relevant and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consent and sanctions, and subject to the provisions of the Company's Memorandum and Articles of Association, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include any Committee(s) thereof constituted or to be constituted by the Board from time to time, to exercise its power conferred by this resolution) to create, offer, issue and allot such number of Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each, fully convertible Debentures /partly convertible Debentures, Non-convertible Debentures, secured/unsecured redeemable Debentures, Warrants with right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with issue of Non-convertible debentures and/or any other permitted fully or partly convertible securities and/or Preference Shares and/or any other financial instruments convertible into Equity Shares, securities linked to Equity Shares and/or securities or any combination of securities ("Securities"), at a later date, in one or more series/tranches, in the

course of domestic and/or international offering(s) in one or more foreign markets, aggregating up to ₹ 200 Crore (Rupees Two Hundred Crore Only), by way of a private offerings and/or qualified institutions placement or any combination thereof, through issue of prospectus and/or placement document or other permissible / requisite offer document to any eligible person, including qualified institutional buyers in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), or otherwise, foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, Indian and/ or multilateral financial institutions, mutual funds, non-resident Indians, and/ or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the Investors) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, at such premium as may be fixed on such securities by offering the securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc., as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/ or other advisor(s), as the Board in its absolute discretion may deem fit and appropriate."

"RESOLVED FURTHER THAT in the event that Equity Shares are issued to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the issue of Equity Shares and the Equity Shares shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT in the event that convertible securities and/ or warrants which are convertible into

Equity Shares of the Company are issued along with non-convertible debentures to qualified institutional buyers under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/ or warrants simultaneously with non-convertible debentures and such securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- a. In the event the Company is making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders; and
- b. In the event of merger, amalgamation, takeover or any other reorganisation or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolution the Equity Shares that may be issued by the Company (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in accordance with the terms of the offering) shall rank pari-passu with the existing Equity Shares of the Company in all respects."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals or permissions by such governmental body, authority or regulatory institution, the Board be and is hereby authorised to finalise the structure of the proposed Securities and all the terms and conditions in respect thereof and further, the Board, in its absolute discretion, be and is hereby authorised to dispose of such Securities that are not subscribed in such manner as it may deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead manager(s), underwriter(s),

depositories, custodian(s), registrar(s), banker(s), lawyer(s), advisor(s) and all such agencies as are or may be required to be appointed, involved or concerned in the issue and allotment of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate, modify, sign, execute, register, deliver including sign any certifications, declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, draft offer document, abridged prospectus, offer letter, offer document, offer circular or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/ indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) (the Transaction Documents) (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the Ancillary Documents) as may be necessary or required for the aforesaid purpose including to sign and/ or dispatch all forms, filings, documents and notices to be signed, submitted and/ or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Securities in one or more tranches from time to time and matters connected therewith and the utilisation of the issue

proceeds in such manner as may be determined by the Board, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of Directors or the Directors or any other officer of the Company, in order to give effect to the above resolutions."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

By **Order of the Board of Directors**

Place: Noida
Date: 28th August, 2020

Deepak Banga
Company Secretary

Notes:

1. The Board of the Company consisted of 6 (six) Directors as on 31st March, 2020 out of which 2 (two) Directors namely Shri Kailash Lal Tarachandani and Shri Siddharth Jain were in the category of directors liable to retire by rotation at the Annual General Meeting (AGM). Since Shri Kailash Lal Tarachandani and Shri Siddharth Jain resigned as Directors with effect from 19th May, 2020 and 29th July, 2020 respectively, none from remaining Directors would retire at the ensuing AGM as they are Non-rotational Directors.

Shri Vineet Valentine Davis and Shri Mukesh Manglik appointed as Additional Directors by the Board with effect from 19th May, 2020 and 29th August, 2020 respectively are proposed to be appointed as Directors, liable to retire by rotation, at this AGM.

2. In view of the global outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" and General Circular No. 20/2020 dated 5th May, 2020, in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Covid-19 pandemic" ("SEBI Circular") have permitted the companies to hold the Annual General Meeting ("AGM") through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue.
3. In compliance with the applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 11th Annual General Meeting (the "AGM" or the "Meeting") of the Members of Inox Wind Limited (the "Company") is

scheduled to be held on Wednesday, 23rd September, 2020 at 3:00 P.M. (IST) through VC/ OAVM. Accordingly, the Members can attend and participate in the ensuing AGM through VC/ OAVM. They can also vote on the items to be transacted at the Meeting as mentioned in this Notice through electronic voting process ("e-Voting") via remote e-Voting or e-Voting during the AGM by following the procedure as detailed below in Note Nos. 12 to 16.

4. The attendance of the Members participating in the AGM through VC/ OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS MENTIONED ABOVE THROUGH VC/ OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY OF APPOINTMENT OF PROXIES BY MEMBERS TO ATTEND AND VOTE AT THE AGM IS NOT AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

However, in pursuance of Section 112 and 113 of the Companies Act, 2013, the representatives of the Members may be appointed for the purpose of voting through remote e-Voting or for participation and voting during the meeting held through VC/ OAVM and in this regard should send the necessary documents to the Company.

6. Institutional investors who are Members of the Company are encouraged to attend and vote in the AGM being held through VC/ OAVM.
7. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ('the Act') with respect to the Special Business as mentioned in the Notice is annexed hereto.
8. Necessary information of the Directors seeking appointment at the AGM as required to be provided under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is given below and also in the Corporate Governance Report.

Name of Director	Shri Devansh Jain	Shri Vineet Valentine Davis	Shri Mukesh Manglik
Directors Identification Number	01819331	06709239	07001509
Brief Resume	Shri Devansh Jain has been the Director of the Company since 2009 and is a Whole-time Director since 2012. He has been instrumental in setting up Company's manufacturing plants in Himachal Pradesh, Gujarat and Madhya Pradesh, with technology sourced from AMSC and in the building and the overall growth of the Company.	Shri Vineet Valentine Davis has been associated with Inox Group since 2012 and spearheading the Company's operations team as Head Operations.	Shri Mukesh Manglik, possesses more than four decades of experience in the field of design and development of power electronics & process controls including over 18 years of experience in the wind industry with expertise in engineering, operations, maintenance and commissioning of wind turbine generators. He has been associated with Inox Group since 2008 and is spearheading the Company's Engineering and Product Development Department. He is also on the Boards of various Inox Group companies.
Date of Birth and Age	13 th October, 1986, 33 Years	17 th June, 1968, 52 Years	16 th September, 1951, 68 Years
Date of first appointment on the Board	25 th April, 2009	19 th May, 2020	29 th August, 2020
Qualification	Double Major in Economics and Business Administration from Carnegie Mellon University, Pittsburgh, USA.	Bachelor's Degree in Electrical Engineering from National Institute of Technology, Jamshedpur.	Bachelor's Degree in Electrical Engineering from Veermata Jijabai Technological Institute, Mumbai.
Experience/ Expertise in Specific Functional Area	He has over 12 years of work experience in various management positions. He has been spearheading Inox Group's foray into the wind energy sector.	He has more than 28 years of experience in Project development and engineering, project management, techno commercial operations, vendor management, logistics, construction and site management.	He possesses more than four decades of experience in the field of design and development of power electronics & process controls including over 18 years of experience in the wind industry with expertise in engineering, operations, maintenance and commissioning of wind turbine generators.
Directorship held in other Companies (excludes directorship of foreign companies and companies registered under Section 8 of the Companies Act, 2013)	<ol style="list-style-type: none"> Inox Leasing and Finance Limited Inox Renewables Limited Inox FMCG Private Limited 	<ol style="list-style-type: none"> Marut-Shakti Energy India Limited Vinirrrmaa Energy Generation Private Limited Satviki Energy Private Limited Sarayu Wind Power (Tallimadugula) Private Limited Sarayu Wind Power (Kondapuram) Private Limited RBRK Investments Limited Wind Four Renergy Private Limited Wind Five Renergy Private Limited Inox Wind Infrastructure Services Limited 	<ol style="list-style-type: none"> Wind One Renergy Private Limited Wind Three Renergy Private Limited Suswind Power Private Limited Ripudaman Urja Private Limited Vibhav Energy Private Limited Tempest Wind Energy Private Limited Flurry Wind Energy Private Limited Inox Wind Infrastructure Services Limited Resco Global Wind Services Private Limited

Name of Director	Shri Devansh Jain	Shri Vineet Valentine Davis	Shri Mukesh Manglik
Membership/ Chairmanship of Committees in other Companies	Inox Renewables Limited 1. Audit Committee, Member 2. Corporate Social Responsibility Committee, Chairman 3. Nomination and Remuneration Committee, Member 4. IRL Committee of Board of Directors for Operations, Member	Inox Wind Infrastructure Services Limited 1. Corporate Social Responsibility Committee, Member 2. Nomination and Remuneration Committee, Member 3. IWISL Committee of Board of Directors for Operations, Member	Inox Wind Infrastructure Services Limited 1. Audit Committee, Member 2. Corporate Social Responsibility Committee, Chairman 3. IWISL Committee of the Board of Directors for Operations, Member
Number of Meeting of the Board attended during the year 2019-20	4	N.A.	N.A.
Remuneration last drawn as Director	₹ 92.64 Lakhs for FY 2018-19	N.A.	N.A.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
Shareholding in the Company	Nil	450 shares	Nil
Summary of the Performance Evaluation Report	Feedback received from the Directors reflected highly satisfactory performance.	N.A.	N.A.

9. Dispatch of Annual Report

In accordance with the provisions of the Companies Act, 2013 and Rules framed thereunder read with the MCA Circulars and the SEBI Circular, the companies are permitted to send documents like Notice convening the general meetings, Audited Financial Statements, Board's Report, Auditor's Report or other documents required to be attached therewith, in electronic form only, to all the members who have registered their email address either with the company or with the depository participant. In line with the same, the Notice alongwith the Annual Report of the Company for the Financial Year ended 31st March, 2020, is being sent through electronic form only i.e. through e-mail to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e. M/s. Link Intime India Private Limited or the Depository Participant(s).

We request the Members to register/ update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Registrar and Share Transfer Agents of the Company.

The Notice and the Annual Report of the Company for the Financial Year ended 31st March, 2020 is available on the websites of the Company viz., www.inoxwind.com and Stock Exchanges i.e. NSE and BSE where the Equity Shares of the Company are listed. The Notice is also available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e. Central Depository Services (India) Limited (CDSL), viz. www.evotingindia.com.

10. Book Closure Period

The Register of Members and the Share Transfer Books of the Company will be closed from Thursday, 17th September, 2020 to Wednesday, 23rd September, 2020 (both days inclusive) for the purpose of AGM.

11. In case of joint holders participating at the AGM together, only such joint holder who is higher in the order of names will be entitled to vote.

12. Procedure for attending/ joining the AGM through VC/OAVM

i. The Company has availed the services of Central Depositories Services (India) Limited ("CDSL") to provide facility to the Members to join and participate

- in the AGM through VC/ OAVM and to vote on the items of businesses as mentioned in the Notice through remote e-Voting or e-Voting during the AGM.
- ii. Members will be able to attend the AGM through VC / OAVM through CDSL e-Voting System. Members may access the same at <https://www.evotingindia.com> under shareholders/ members login by using their remote e-Voting login credentials. The link for VC/ OAVM will be available in Members login where the EVSN of the Company will be displayed.
 - iii. Members may note that the facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on a first-come-first-served basis. However, this will not include large shareholders (shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
 - iv. Members may join the AGM through VC/ OAVM facility 15 minutes before the scheduled time of AGM and during the proceedings of AGM.
 - v. In case of any assistance or difficulty in attending the AGM, the Members can get in touch with officials of CDSL as per the details mentioned herein below:
 - Send a request at www.evotingindia.com or Call on Toll free no.: 1800225533; or
 - Send a request at helpdesk.evoting@cdslindia.com or contact the below mentioned officers of CDSL:
 - Shri Nitin Kunder (022-23058738)
 - Shri Mehboob Lakhani (022-23058543)
 - Shri Rakesh Dalvi (022-23058542)
 - vi. Members are encouraged to join the Meeting through Laptops/ IPads/ Tablets for better experience.
 - vii. Members are advised to use a high pixel camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - viii. Please note that participants connecting from Mobile Devices or Tablets or Laptops via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - ix. The Members/ attendees are further advised to download the software/ app of Cisco WebEx in advance and keep the same ready to connect fast to the meeting.
13. Any person becoming a Member of the Company after the Notice of the Meeting is sent out through e-mail and holds shares as on the Cut-off date i.e. Wednesday, 16th September, 2020, may obtain the User ID and Password by sending a request to helpdesk.evoting@cdslindia.com and can exercise their voting rights through remote e-Voting or by voting provided during the Meeting by following the instructions listed herein below.
 14. **Procedure for Remote e-Voting**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the MCA Circulars, the Company is providing e-Voting facility to all Members to cast their votes using electronic voting system from any place before the meeting ("remote e-Voting") and during the meeting, in respect of the resolutions proposed in this Notice through the e-Voting platform of Central Depository Services (India) Limited (CDSL). For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-Voting's agency. Though e-Voting is optional, the Members are encouraged to vote and attend the AGM. The voting rights of the Members/ Beneficial Owners shall be reckoned on the Paid-up value of Equity Shares held by them as on the Cut-off date i.e. 16th September, 2020;

 - (i) The remote e-Voting period begins on Saturday, 19th September, 2020 at 9:00 A.M. and ends on Tuesday, 22nd September, 2020 at 5:00 P.M. During this period, the Members' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date i.e. 16th September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The Members should log on to the e-Voting website, www.evotingindia.com
 - (iii) Click on "Shareholders" module
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/ EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (v) Next enter the Image Verification as displayed and Click on "Login".
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on the address label.
Dividend Bank Details Or Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company, please enter the Member Id / Folio Number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that

this password may be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of INOX WIND LIMITED to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the changed login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non-Individual Members and Custodians**
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts; they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively, Non-Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded the same in the CDSL e-Voting system for the Scrutinizer to verify the same.

15. Procedure for E-Voting during the AGM

- i. The procedure for e-Voting during the AGM is same as the procedure mentioned above for Remote e-Voting.
- ii. Only those members, who are present at the AGM through VC/ OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the Members through the e-Voting available during the AGM and if the same Members have not participated in the meeting through VC/ OAVM Facility, then the votes cast by such Members shall be considered invalid as the facility of e-Voting during the meeting is available only to the Members attending the meeting.
- iv. Members who have voted through remote e-Voting prior to the AGM may attend/ participate in the AGM through VC/ OAVM but shall not be eligible/ entitled to cast their vote again during the AGM.

16. Process for those Members whose Email Ids are not registered with the Depositories/ Company for obtaining login credentials for joining the Meeting through VC/ OAVM and for e-Voting

- a) For Physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by sending email to the Company/ RTA email id, rnt.helpdesk@linkintime.co.in.
- b) For Demat shareholders-please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, Client Master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by sending email to the Company/RTA email id, rnt.helpdesk@linkintime.co.in.

17. Queries or issues regarding E-voting

In case you have any queries or issues regarding joining the AGM through VC/ OAVM or e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting user manual for Shareholders available at the website www.evotingindia.com, under help section or contact Shri Nitin Kunder (022-23058738) or Shri Mehboob Lakhani (022-23058543) or can write to Shri Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai-400013, Email: helpdesk.evoting@cdslindia.com, Tel: 022-23058542.

18. Procedure to raise questions/ seek clarifications with respect to the Annual Report

- i. Members seeking any information on the financial accounts, operations or any matter to be placed at the AGM, are requested to write to the Company Secretary at least 7 days prior to the Meeting i.e. not later than 16th September, 2020 at the Company's Corporate Office at Inox Towers, Plot No.17, Sector-16A, Noida-201301, Uttar Pradesh, or can send their queries on investors.iwl@inoxwind.com and the same shall be suitably replied.
- ii. The Members who would like to express their views/ ask questions/ queries during the meeting may register themselves in advance as a speaker by sending their request 7 days prior to the Meeting i.e. not later than 16th September, 2020 mentioning their questions alongwith Name, Demat account

number/Folio number, Email-id, Mobile number at investors.iwl@inoxwind.com from their registered email address. The queries of the Members will be replied by the Company suitably.

- iii. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Chairman of the Meeting/ the Company reserves the right to restrict the number of questions, time allotted and number of speakers as appropriate for smooth conduct of the AGM.
19. The relevant documents referred to in the Notice and in the Explanatory Statement shall be open for inspection by the Members of the Company, without payment of fees, at the Registered Office 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 and copies thereof shall also be available for inspection in physical form at the Corporate Office of the Company situated at INOX Towers, Plot No. 17, Sector-16A, Noida - 201301, Uttar Pradesh. Further, the relevant documents referred to in the Notice along with Statutory Registers shall also be available for inspection through electronic mode during the meeting to any person having right to attend the meeting, basis the request being sent on investors.iwl@inoxwind.com.
 20. The voting rights of Members shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on the Cut-off date of 16th September, 2020. For all others who are not holding shares as on 16th September, 2020 and receive the Annual Report of the Company, the same is for their information.
 21. The Board of Directors has appointed M/s. J. K. Gupta & Associates, Practising Company Secretaries, Delhi as the Scrutinizer to scrutinize the voting including e-Voting process in a fair and transparent manner.
 22. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 23. Once declared, the results along with the consolidated Scrutinizer's Report shall be placed on the Company's website, www.inoxwind.com and on the website of CDSL www.evotingindia.com and shall be communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
 24. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz. Link Intime India Private Limited, Unit: Inox Wind Limited, Noble Heights, 1st Floor, Plot No. NH-2, LSC, C-1 Block, Near Savitri Market, Janak Puri, New Delhi-110058, the changes, if any, in their Bank details, registered address, Email Id, etc. along with their Pincode. Members holding shares in electronic form may update such details with their respective Depository Participant.
 25. Pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules made thereunder, Members may avail the facility of nomination in respect of the shares held by them. Members holding shares in physical form may avail this facility by sending a nomination, in the prescribed Form No. SH-13, to the Company's Registrar and Share Transfer Agent. Members holding shares in demat form may contact their respective Depository Participant(s) for availing this facility.
 26. Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar & Share Transfer Agent, M/s. Link Intime India Private Limited, quoting their Folio number etc.
 27. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. 1st April, 2019, except in case of transmission or transposition of securities. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated 27th March, 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after 1st April, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after 1st April, 2019 can do so only after the shares are dematerialized. However, requests for transfer of shares held in physical mode, as filed in Form SH-4, prior to 1st April, 2019 and returned to the investors due to deficiency in the documents, may be re-submitted for transfer even after 1st April, 2019 provided it is submitted alongwith the necessary documents including PAN details. In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/ DOS3/ CIR/P/ 2018/139 dated 6th November,

2018. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

THE STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013 FOR ITEM NOS. 2 TO 10

Item No. 2

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at their Meeting held on 28th August, 2020 had appointed Shri Mukesh Manglik (DIN: 07001509) as an Additional Director on the Board of the Company with effect from 29th August, 2020. As per the provisions of Section 161 of the Companies Act, 2013 (Act), he holds office as an Additional Director up to the date of ensuing Annual General Meeting (AGM) and is eligible for appointment as a Director of the Company.

The Company has received requisite notice under Section 160 of the Act from a member proposing the name of Shri Mukesh Manglik as a candidate for the office of Director of the Company at this AGM of the Company. Shri Mukesh Manglik has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Nomination and Remuneration Committee and the Board of Directors of the Company has recommended appointment of Shri Mukesh Manglik as a Director of the Company liable to retire by rotation. In the opinion of the Board, he fulfils the conditions specified in the Act and Rules framed there under for his appointment. Further, the appointee is not debarred from holding the office of Director pursuant to any order issued by SEBI, Ministry of Corporate Affairs or any such regulatory authority. Hence, the appointment of Shri Mukesh Manglik as a Director of the Company is being placed before the Members for their approval.

Brief resume of Shri Mukesh Manglik, nature of his experience in specific functional areas and names of companies in which he holds Directorships and Memberships/ Chairmanships of Board Committees, shareholding and relationships between Directors inter-se and other information as required to be provided under the Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 26 (4) & 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of his appointment are provided at Note No. 8 of the Notice.

Shri Mukesh Manglik is interested in the resolution set out at Item No. 2 of the Notice. The relatives of Shri Mukesh Manglik may also be deemed to be interested in this Resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the resolution as stated at Item No. 2 of the Notice for approval of the Members as an Ordinary Resolution.

Item No. 3

Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) states that if aggregate value of transactions with related party exceeds 10% of the consolidated turnover of the company as per the last audited financial statements of the company, the approval of Members is required by way of an Ordinary Resolution.

The Company has entered into contract(s)/agreement(s)/transaction(s) with Gujarat Fluorochemicals Limited, a fellow subsidiary company, related party, for sale/ supply of Wind Turbine Generators (WTG) including related transactions, to set up Captive Power Plant by the purchaser for its manufacturing unit/s in the State of Gujarat to meet their increasing power requirements. The transaction with related party is in the ordinary course of business of the Company and on arm's length basis. The aggregate value of transaction with related party is exceeding the ceiling limit prescribed in the Listing Regulations and hence, the approval for resolution set out at Item No. 3 of the Notice is being sought by way of an Ordinary Resolution.

The Audit Committee of the Board of the Company has approved the said transaction with the related party.

Shri Devansh Jain, Whole-time Director and his relatives shall be deemed to be concerned or interested in the resolution set out at Item No. 3 of the Notice. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the resolution as stated at Item No. 3 of the Notice for approval of the Members as an Ordinary Resolution.

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 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 being sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending on 31st March, 2021.

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. 4 of the Notice.

The Board recommends the resolution as stated at Item No. 4 of the Notice for approval of the Members of the Company as an Ordinary Resolution.

Item Nos. 5 and 6

The Board of Directors of the Company at their Meeting held on 07th February, 2020 on the recommendation of Nomination and Remuneration Committee appointed Shri Vineet Valentine Davis (DIN: 06709239) as an Additional Director of the Company with effect from 19th May, 2020. As per the provisions of Section 161 of the Companies Act, 2013 ('the Act'), he holds office as an Additional Director up to the date of this Annual General Meeting (AGM) and is eligible for appointment as a Director of the Company.

The Company has received requisite notice under Section 160 of the Act from a member proposing the name of Shri Vineet Valentine Davis as a candidate for the office of Director of the Company at this AGM of the Company. Shri Vineet Valentine Davis has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Nomination and Remuneration Committee and the Board of Directors of the Company has recommended appointment of Shri Vineet Valentine Davis as a Director of the Company liable to retire by rotation. In the opinion of the Board, he fulfils the conditions specified in the Act and Rules framed there under for his appointment. Further, the appointee is not debarred from holding the office of a Director pursuant to any order of SEBI, Ministry of Corporate Affairs or any such Regulatory Authority. Hence, the resolution regarding appointment of Shri Vineet Valentine Davis as a Director of the Company is being placed before the Members for their approval as set out at Item No. 5 of the Notice.

Further, at the same meeting, keeping in view his qualification and leadership qualities supported by his experience and based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Shri Vineet Valentine Davis as a Whole-time Director of the Company for a period of 2 (two) years with effect from 19th May, 2020 on the remuneration and on such other terms and conditions as specified in the Resolution as set out at Item No. 6 of the Notice. The Board is of the opinion that his appointment as a Whole-time Director is in the best interest of the Company considering his qualification, experience and long association with the Company. His appointment and remuneration as a Whole-time Director of the Company is subject to shareholders' approval which is, therefore, also being placed before the Members for their approval as set out at Item No. 6 of the Notice.

Brief resume of Shri Vineet Valentine Davis, nature of his experience in specific functional areas and names of companies in which he holds Directorships and Memberships/ Chairmanships of Board Committees, shareholding and relationships between Directors inter-se and other information as required to be provided under the Secretarial Standard -2 issued by the Institute of Company Secretaries of India and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of his appointment are provided at Note No. 8 of the Notice.

The Special Resolution being recommended to the Members for their approval is an enabling resolution permitting the Company to pay the remuneration as mentioned in the Resolution set out at Item No. 6 of the Notice even during absence or inadequacy of profits in any financial year during the tenure of Shri Vineet Valentine Davis as a Whole-time Director of the Company, in compliance with Section 197, 198 read with Schedule V to the Companies Act, 2013.

The disclosures as required to be given pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 are furnished hereunder:

I. General Information:

S. No.	Particulars	Remarks
1.	Nature of Industry	Engaged in the manufacture of Wind Turbine Generators and its components
2.	Date or expected date of commencement of commercial production	The commercial production commenced in the year 2010.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable

S. No.	Particulars	Remarks
4.	Financial performance based on given indicators	(₹ in Lakhs)
		As per Audited Financial Statements for the Financial Year
	Particulars	2017-18 2018-19 2019-20
	Paid-up Capital	22,192 22,192 22,192
	Revenue from Operations	21,243 134,548 52,768
	Other Income	3,441 4,562 6,280
	Total Revenue from Operations (Net)	24,684 139,110 59,048
	Net Expenses	48,647 138,917 93,937
	Profit before Tax	(23,963) 194 (34,889)
	Total Tax Expense	(8,246) 68 (12,178)
	Profit/ (Loss) for the year	(15,717) 126 (22,711)
5.	Foreign investments or collaboration, if any.	The Company has sourced technology from AMSC, a leading wind energy technology company, for exclusive manufacturing of 2 MW and 3.3 MW wind turbines in India. The Company also possesses non-exclusive license to manufacture 2 MW WTGs worldwide, based on AMSC's technology. In addition to this, the Company has a non-exclusive license from Wind Novation Engineering Solutions GmbH, Germany to manufacture rotor blade sets in variant of 93, 100 and 113-meter rotor diameter.

II. Information about the appointee:

S. No.	Particulars	Remarks
1.	Background details	Shri Vineet Valentine Davis is a seasoned professional with about 28 years of extensive experience. He has been associated with Inox Group since 2012 and is spearheading the Company's operations team as Head Operations.
2.	Past remuneration	Not Applicable
3.	Job profile and his suitability	He is responsible for project development and engineering, project management, techno commercial operations, vendor management, supply chain, logistics, construction and site management. He has been found suitable for this assignment and his continued association is considered to be in the best interest of the Company.
4.	Remuneration proposed	The remuneration of Shri Vineet Valentine Davis is detailed in the Resolution.
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Shri Vineet Valentine Davis is comparable and competitive with the remuneration being paid to Whole-time Directors in the relevant industry. Considering the background, competence and experience of Shri Vineet Valentine Davis, the terms of his remuneration as set out in the Resolution are considered to be fair, just and reasonable keeping in view the size of the Company and the responsibility entrusted upon him.
6.	Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Shri Vineet Valentine Davis has no pecuniary relationship with the Company except to the extent of salary and perquisites drawn by him or with any of the managerial personnel of the Company.

III. Other Information:

S. No.	Particulars	Remarks
1.	Reasons for loss or inadequate profits.	The Wind Power industry witnessed a major disruption during the financial year 2017-18 as it migrated from a feed-in-tariff regime to reverse auction regime. As a result of this shift in policy, there was a virtual shut down in the wind power sector for almost two and half to three years. Due to the effects of this change, the Sector added only 1.7 GW in FY 2017-18 and 1.5 GW in FY 2018-19 as against 5.5 GW added in FY 2016-17. Lower revenue and EBITDA for the FY 2019-20 is primarily due to the fact that post the central grid availability which was significantly delayed, we utilised our resources to complete projects under SECI-1, for which substantial supplies had taken place in FY 2018-19.
2.	Steps taken or proposed to be taken for improvement.	During the year, the Company commissioned 262 MW including 250 MW of SECI-I projects and resumed fresh supplies of WTGs. The Company has also built one of the largest grid infrastructure for 750 MW on the central grid, which will enable the Company to do future project executions at Dayapar (Gujarat) on a plug and play basis. Recently, the Company has strategically tied up a manufacturing facility located at Bhuj in Gujarat on lease for manufacturing Nacelles and Hubs. This will result in tremendous savings in terms of logistic costs due its proximity to the ports and project sites for execution and time which will lead to improvement in the working capital cycle.
3.	Expected increase in productivity and profits in measurable terms.	Post the painful transition period, the sector is now looking up. As most of the issues relating to regulations in the wind sector and connectivity have been resolved, the Company is quite confident about its future prospects and is looking forward to re-attaining the strong position it used to enjoy during the FIT regime on the back of strong consolidated order book which stands at 1388.7 MW and being amongst the lowest cost producer of wind turbines globally.

IV. Disclosures:

The following disclosures are mentioned in the Board of Director's Report under the heading "Corporate Governance Report", attached to the Annual Report

S. No.	Particulars	Remarks
i.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the directors.	Details with regard to salary, benefits and sitting fees paid to Directors are disclosed in the Corporate Governance Report. The Company did not give any bonuses and stock options to the Directors.
ii.	Details of fixed component and performance linked incentives alongwith the performance criteria.	Details with regard to salary, benefits and sitting fees paid to Directors are disclosed in the Corporate Governance Report.
iii.	Service contracts, notice period, severance fees etc.	Details disclosed in the Corporate Governance Report.
iv.	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Not Applicable

Shri Vineet Valentine Davis is interested in the Resolutions set out at Item Nos. 5 and 6 of the Notice. The relatives of Shri Vineet Valentine Davis may also be deemed to be interested in these Resolutions, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the resolutions as stated at Item Nos. 5 and 6 of the Notice for approval of the Members as an Ordinary Resolution and Special Resolution respectively.

Item No. 7

At the 8th Annual General Meeting of the Company held on 26th September, 2017, the Members had, inter-alia, approved the re-appointment of Shri Devansh Jain (DIN: 01819331) as a Whole-time Director of the Company for a period of 5 years with effect from 1st November, 2017 on the terms as contained in the said Resolution.

As the Company has no profits during the Financial Year ended 31st March, 2020, the remuneration paid to Shri Devansh Jain for the Financial Year 2019-20, shall be as per the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act'). Hence, the Nomination & Remuneration Committee and the Board of Directors of the Company at their respective meeting held on 28th August, 2020 have approved the remuneration paid to Shri Devansh Jain, Whole-time Director of the Company, for the Financial Year 2019-20, as mentioned in the Resolution set out at Item No. 7 of the Notice, in compliance with Schedule V to the Companies Act, 2013 or any statutory modification(s) thereof and that all the terms of the resolution passed by the Members of the Company at their 8th Annual General Meeting approving his re-appointment and remuneration remains unaltered.

The disclosures as required to be given pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 are furnished hereunder:

I. General Information:

S. No.	Particulars	Remarks																																							
1.	Nature of Industry	Engaged in the manufacture of Wind Turbine Generators and its components																																							
2.	Date or expected date of commencement of commercial production	The commercial production commenced in the year 2010.																																							
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable																																							
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5.	Foreign investments or collaboration, if any.	The Company has sourced technology from AMSC, a leading wind energy technology company, for exclusive manufacturing of 2 MW and 3.3MW wind turbines in India. The Company also possesses non-exclusive license to manufacture 2 MW WTGs worldwide, based on AMSC's technology. In addition to this, the Company has a non-exclusive license from Wind Novation Engineering Solutions GmbH, Germany to manufacture rotor blade sets in variant of 93, 100 and 113-meter rotor diameter.																																							

II. Information about the appointee:

S. No.	Particulars	Remarks
1.	Background details	Shri Devansh Jain is a Whole-time Director of the Company since 1 st November, 2012. He has over 12 years of work experience in various management positions.
2.	Past remuneration	₹ 92.64 Lakhs for the FY 2018-19
3.	Recognition or awards	Awarded: (a) 'Wind Power Man of the Year 2012-13' at the annual event conceptualised by Global Energia; (b) Outstanding Contribution of an Individual towards Development of Wind Power Projects & Establishment of Indigenous Manufacturing by Global Energia and (c) For outstanding contribution to renewable energy at the Energy and Environment Foundation - Global Excellence Awards 2014
4.	Job profile and his suitability	His job involves diverse fields of strategy and management planning, execution, finance, law and corporate affairs. As a Whole-time Director of the Company, he is entrusted with the powers and authority to manage the overall affairs of the Company subject to superintendence, direction and control of the Board of Directors. He is having over 12 years of experience of Corporate management and possesses all required competencies. Thus, he is found to be most suitable for the position based on his qualification and vast experience.
5.	Remuneration proposed	The remuneration of Shri Devansh Jain is detailed in the Resolution.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Shri Devansh Jain is comparable and competitive with the remuneration being paid to Whole-time Directors in the relevant industry. Considering the background, competence and experience of Shri Devansh Jain, the terms of his remuneration as set out in the Resolution are considered to be fair, just and reasonable keeping in view the size of the Company and the responsibility entrusted upon him.
7.	Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Shri Devansh Jain has no pecuniary relationship with the Company except to the extent of salary and perquisites drawn by him or with any of the managerial personnel of the Company.

III. Other Information:

S. No.	Particulars	Remarks
1.	Reasons for loss or inadequate profits.	The Wind Power industry witnessed a major disruption during the financial year 2017-18 as it migrated from a feed-in-tariff regime to reverse auction regime. As a result of this shift in policy, there was a virtual shut down in the wind power sector for almost two and half to three years. Due to the effects of this change, the Sector added only 1.7 GW in FY 2017-18 and 1.5 GW in FY 2018-19 as against 5.5 GW added in FY 2016-17. Lower revenue and EBITDA for the FY 2019-20 is primarily due to the fact that post the central grid availability which was significantly delayed, we utilised our resources to complete projects under SECI-1, for which substantial supplies had taken place in FY 2018-19.
2.	Steps taken or proposed to be taken for improvement.	During the year, the Company commissioned 262 MW including 250 MW of SECI-I projects and resumed fresh supplies of WTGs. The Company has also built one of the largest grid infrastructure for 750 MW on the central grid, which will enable the Company to do future project executions at Dayapar (Gujarat) on a plug and play basis. Recently, the Company has strategically tied up a manufacturing facility located at Bhuj in Gujarat on lease for manufacturing Nacelles and Hubs.

S. No.	Particulars	Remarks
		This will result in tremendous savings in terms of logistic costs due to its proximity to the ports and project sites for execution and time which will lead to improvement in the working capital cycle.
3.	Expected increase in productivity and profits in measurable terms.	Post the painful transition period, the sector is now looking up. As most of the issues relating to regulations in the wind sector and connectivity have been resolved, the Company is quite confident about its future prospects and is looking forward to re-attaining the strong position it used to enjoy during the FIT regime on the back of strong consolidated order book which stands at 1388.7 MW and being amongst the lowest cost producer of wind turbines globally.

IV. Disclosures:

The following disclosures are mentioned in the Board of Director's Report under the heading "Corporate Governance Report", attached to the Annual Report

S. No.	Particulars	Remarks
i.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the directors.	Details with regard to salary, benefits and sitting fees paid to Directors are disclosed in the Corporate Governance Report. The Company did not give any bonuses and stock options to the Directors.
ii.	Details of fixed component and performance linked incentives alongwith the performance criteria.	Details with regard to salary, benefits and sitting fees paid to Directors are disclosed in the Corporate Governance Report.
iii.	Service contracts, notice period, severance fees etc.	Details disclosed in the Corporate Governance Report.
iv.	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Not Applicable

In compliance with the provisions of Sections 196, 197 read with Schedule V of the Act and Rules framed thereunder, the remuneration paid to Shri Devansh Jain as a Whole-time Director of the Company for the Financial Year 2019-20 is being placed before the Members for their approval.

Brief resume of Shri Devansh Jain, nature of his experience in specific functional areas and names of companies in which he holds Directorships and Memberships/ Chairmanships of Board Committees, shareholding and relationships between Directors inter-se and other information as required to be provided under the Secretarial Standard -2 issued by the Institute of Company Secretaries of India are provided at Note No. 8 of the Notice.

Shri Devansh Jain is interested in the Resolution set out at Item No. 7 of the Notice. The relatives of Shri Devansh Jain may also be

deemed to be interested in this Resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the resolution as stated at Item No. 7 of the Notice for approval of the Members as a Special Resolution.

Item No. 8

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186

of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits by a sum not exceeding ₹ 1,000 Crores (Rupees One Thousand Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

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. 8 of the Notice.

The Board recommends the resolution as stated at Item No. 8 of the Notice for approval of the Members of the Company as a Special Resolution.

Item No. 9

As per the provisions of Section 185 of the Companies Act, 2013, a company may give any loan, including any loan represented by a book debt to or give any guarantee or provide any security in connection with any loan taken by, any person/ entity in whom any of the Director(s) of the Company is/ are interested, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement.

Presently Inox Wind Infrastructure Services Limited (IWISL) (CIN: U45207GJ2012PLC070279) having its Registered Office at Survey No. 1837 & 1834 At Moje Jetalpur, ABS Towers, Second

Floor, Old Padra Road, Vadodara, Gujarat is a wholly owned subsidiary of the Company and thus, any loan advanced or guarantee(s) given or security(ies) provided by the Company to it, being a wholly owned subsidiary company, does not attract the provisions of Section 185 of the Companies Act, 2013.

The Special Resolution being recommended to the Members for their approval is an enabling resolution permitting the Company to render and continue support to IWISL or any other person/ entity in whom any of the Directors of the Company is/ are interested/ deemed to be interested, even in the event in future IWISL and/ any other entity does not remain a wholly owned subsidiary of the Company due to any sale/ disposal of its investment or on account of restructuring or reorganisation or strategic action or any other corporate action on part of the Company/ IWISL or its subsidiary(ies), up to a sum not exceeding ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore Only) at any point of time, as detailed in the Resolution, for its principal business requirements, from time to time, provided the following terms and conditions are followed:

1. all such actions involving loans, the interest amount charged to such subsidiary company(ies)/ entity shall not be at a rate lower than the prevailing yield of one year, three years, five years or ten years of Government Security closest to the tenure of the loan;
2. all such actions are negotiated at arm's length;
3. all such actions are in the strategic and in the best interest of the Company (as conclusively determined by the Board in its sole discretion); and
4. all such actions are in compliance with the applicable laws.

The Board of Directors of the Company would carefully evaluate proposal(s) and provide such loan(s), guarantee(s) or security(ies) through deployment of funds out of internal resources/ accruals and/ or any other appropriate sources, from time to time, only for principal business activities of such entity on the terms and conditions as stated above.

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. 9 of the Notice.

The Board recommends the resolution as stated at Item No. 9 of the Notice for approval of the Members of the Company as a Special Resolution.

Item No. 10

The consent of the Members is being sought pursuant to the provisions of Sections 23, 42, 62, 71 and other applicable provisions of the Companies Act, 2013, as amended (hereinafter referred to as "the Act") and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the applicable provisions of the Securities and Exchange Board of India Act, 1992, as amended and rules and regulations made thereunder, the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made thereunder and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI) and/ or any other competent authorities, and subject to approval from all other appropriate statutory and regulatory authorities, as may be applicable or relevant.

The Company may require funds in order to meet capital expenditure requirements for ongoing and future projects of the Company, to sustain growth in the business, for business expansion and to improve the financial leveraging strength of the Company, working capital requirements, debt repayments including repayment of any existing or future debt incurred for any purpose including for paying off any liability, investments including amongst others, in subsidiary companies, general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. and such other purpose as may be determined by the Board from time to time.

Therefore, the Company seeks an enabling approval of the Members to access the capital market through a private placement basis to create, offer, issue and allot equity shares or other securities convertible into Equity Shares of the Company or any combination thereof in one or more tranches up to an aggregate amount of ₹ 200 Crore.

The price at which the Securities will be issued, will be determined by the Board of the Company in accordance with the applicable law and consultation with the appropriate advisors.

The detailed terms and conditions for the offer of above securities will be determined by the Board in consultation with the lead managers, placement agents and such other agency or agencies as may be required to be consulted by the Company, considering the prevailing market conditions and in accordance with the applicable provisions of the law

and other relevant factors and will be in accordance with the terms approved by the Members in the proposed resolution.

In case of a Qualified Institutional Placement (QIP), the price at which the Securities shall be allotted to qualified institutional buyers will not be less than the price determined in accordance with the pricing formula in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the SEBI ICDR Regulations). The relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the issue of Equity Shares and the Equity Shares shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the SEBI ICDR Regulations. The Board may, at its absolute discretion, decide the pricing for the equity shares to be issued upon exercise of the warrants in the QIP, subject to the SEBI ICDR Regulations.

The Company may also raise funds through issuance of debt Securities. As per the provisions of the Companies Act, 2013, the Companies are not required to seek shareholders' approval for issuance of debt Securities in case the issue is within the borrowing limit under Section 180(1)(c) of the Companies Act, 2013.

None of the promoters and the key managerial personnel of the Company will subscribe to the offer, if made under Chapter VI of the SEBI ICDR Regulations.

The proceeds of the proposed issue shall be utilised for any of the aforesaid purposes to the extent permitted by applicable provisions of law.

The Equity shares, which would be allotted, shall rank in all respects pari-passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/ offering and in the offer document and/ or offer letter and/ or offering circular and/ or listing particulars.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/ or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/ offering(s)

will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

This resolution will enable the Board of the Company to raise monies, as and when required during the period of one year commencing from date of passing of the resolution as proposed above.

In compliance with the General circular number 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

The above proposal is in the interest of the Company, and the Board of the Company thus recommends the resolution at Item No. 10 for approval of the Members of the Company as Special Resolution.

The Directors and Key Managerial Personnel of the Company and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued/ allotted to them or to the companies in which they are directors or members. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

By **Order of the Board of Directors**

Place: Noida
Date: 28th August, 2020

Deepak Banga
Company Secretary

Board's Report

To the Member(s) of
INOX WIND LIMITED

Your Directors take pleasure in presenting to you their Eleventh Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2020.

1. FINANCIAL PERFORMANCE

The financial performance of your Company for the Financial Year 2019-20 is highlighted below:

Sr. No.	Particulars	Consolidated		Standalone	
		₹ in Lakhs		₹ in Lakhs	
		2019-20	2018-19	2019-20	2018-19
I	Revenue from Operations	76,018	143,744	52,768	134,548
II	Other income	1,041	2,341	6,280	4,562
III	Total Revenue Income (I+II)	77,059	146,085	59,048	139,110
IV	Total Expenses	120,064	152,272	93,937	138,917
V	Share of profit/(loss) of associates	24	(24)	-	-
VI	Profit/(Loss) before tax (III - IV+V)	(42,981)	(6,211)	(34,889)	194
VII	Total Tax expense	(15,041)	(2,213)	(12,178)	68
VIII	Profit/(Loss) for the year (VI - VII)	(27,940)	(3,998)	(22,711)	126
IX	Other comprehensive income	100	64	78	6
X	Total comprehensive income (VIII+IX)	(27,840)	(3,934)	(22,633)	132

Detailed analysis of the Financial and Operational Performance of the Company has been given in the Management Discussion and Analysis Report forming part of this Annual Report.

2. CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2019-20 have been prepared in compliance with applicable 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 subsidiaries and associate companies, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Independent Auditor's Report form part of this Annual Report. The Audited Standalone and Consolidated

Financial Statements for the Financial Year 2019-20 shall be laid before the Annual General Meeting for approval of the Members of the Company.

3. SHARE CAPITAL

During the year under review, there is no change in the Paid up Share Capital of the Company and the same stood at ₹ 2,219,182,260 divided into 221,918,226 Equity Shares of ₹ 10/- each as on 31st March, 2020.

Further, there is no change in the Authorised Share Capital of the Company also which is ₹ 5,000,000,000 divided into 500,000,000 Equity Shares of ₹ 10/- each as on 31st March, 2020.

4. 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 Financial Year ended 31st March, 2020.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend

Distribution Policy' and the same has been uploaded on the Company's website; www.inoxwind.com.

5. TRANSFER TO RESERVES

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

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments/Resignations during the year under review and upto the date of this report:

Shri Chandra Prakash Jain (DIN: 00011964), Independent Director ceased to be a Director on the Board of the Company with effect from 21st October, 2019 upon successful completion of his term of five years. The Board places on record its appreciation for Shri Chandra Prakash Jain for the services rendered by him during his tenure as an Independent Director of the Company.

Shri Kailash Lal Tarachandani (DIN: 06388564), Whole-time Director & Chief Executive Officer of the Company, resigned from the office of Director with effect from 19th May, 2020, upon completion of his term as a Whole-time Director. However, he continues to hold the position of Chief Executive Officer of the Company.

Shri Siddharth Jain (DIN: 00030202) ceased to be a Non-Executive Director of the Company, consequent to his resignation due to time constraints caused by the global pandemic as a result of which more focussed attention was required to other businesses, with effect from 29th July, 2020. Shri Siddharth Jain was associated with the Company as a Non-Executive Director since 2009 and has made significant contribution in the building and the overall growth of the Company. The Board places on record its sincere appreciation for Shri Siddharth Jain for his valuable services, guidance and support given by him during his association with the Company as a Non-Executive Director. His business acumen and expertise have been a major factor in the growth of the Company with potential for quantum leaps in future.

Shri Vineet Valentine Davis (DIN: 06709239) was appointed as an Additional Director & Whole-time Director of the Company both with effect from 19th May, 2020. As Shri Vineet Valentine Davis holds office of Additional Director upto the ensuing Annual General Meeting and the proposal for his appointment as a Director has been recommended by the Nomination and Remuneration Committee and the Board, the same has been included in the Notice and the Annual General Meeting for your approval. Further, his appointment and remuneration as a Whole-time Director

of the Company for a period of two years with effect from 19th May, 2020 is subject to approval of the shareholders. Hence the same has also been included in the Notice of the Annual General Meeting for your approval.

Shri Mukesh Manglik (DIN: 07001509) was appointed as an Additional Director of the Company with effect from 29th August, 2020. As Shri Mukesh Manglik holds office of Additional Director upto the ensuing Annual General Meeting and the proposal for his appointment as a Director has been recommended by the Nomination and Remuneration Committee and the Board, the same has been included in the Notice of the Annual General Meeting for your approval.

Necessary resolutions in respect of Directors seeking appointment and their brief resume pursuant to Regulation 26(4) and 36(3) of Listing Regulations and Secretarial Standard -2 issued by the Institute of Company Secretaries of India are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

7. NOMINATION AND REMUNERATION POLICY

The salient features of Nomination and Remuneration Policy of the Company is annexed to this report as **Annexure A**. The Nomination and Remuneration Policy may be accessed on the Company's website at the link: https://www.inoxwind.com/wp-content/uploads/2014/11/Nomination__Remuneration_Policy_IWL.pdf.

8. DECLARATION OF INDEPENDENCE

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. They have also confirmed that they have complied with the Code of Conduct as prescribed in the Schedule IV to the Companies Act, 2013 and Code of Conduct for Directors and Senior Management Personnel, formulated by the Company.

9. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of Familiarisation Programme for Independent Directors are given in the Corporate Governance Report.

10. PERFORMANCE EVALUATION

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and Individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board and Individual Directors for the Financial Year 2019-20. Further, based on the feedback received by the Company, the Nomination and Remuneration Committee at its Meeting held on 7th February, 2020 noted that Annual Performance of each of the Directors is highly satisfactory and recommended to the Board to continue the terms of appointment of all the Independent Directors of the Company. The Board of Directors of the Company at its Meeting held on the same day noted that the performance of Board, Committees of the Board and Individual Directors and Chairperson (including CEO and Independent Directors) is evaluated as highly satisfactory by this evaluation process.

11. MEETINGS OF THE BOARD

During the year under review, the Board met Four times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

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 for the financial year ended 31st March, 2020, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 have been followed and there are no departures from the same;
- 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 profit and 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 Note Nos. 7, 9, 37 and 50 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, as per the provisions of Section 188 of the Companies Act, 2013 read with the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations.

During the year under review, the Company has not entered into 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 except as stated at Item No. 3 of the Notice of Eleventh Annual General Meeting seeking approval of the Members by way of Ordinary Resolution pursuant to Regulation 23 of the Listing Regulations. The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by

the Board may be accessed on the Company's website at the link: <https://www.inoxwind.com/wp-content/uploads/2019/08/IWL%20-%20Related%20Party%20Transaction%20Policy%2031March2019.pdf>.

All transactions entered with Related Parties for the year under review were on arm's length basis.

Hence, disclosure in Form AOC-2 is not required to be annexed to this Report.

15. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

A separate statement containing the salient features of financial statements of all Subsidiaries, Associates and Joint Ventures of the Company forms a part of Consolidated Financial Statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiary companies are available for inspection by the Members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Corporate Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company www.inoxwind.com. The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company.

During the year under review, your Company's wholly owned subsidiary, Inox Wind Infrastructure Services Limited (IWISL), incorporated a wholly-owned subsidiary namely Resco Global Wind Services Private Limited (CIN: U40106GJ2020PTC112187) on 21st January, 2020.

Further, IWISL sold its entire 51% shares held in Sri Pavan Energy Private Limited (SPEPL) on 22nd May, 2020. Consequent upon the said sale, SPEPL ceased to be the subsidiary of IWISL and in turn, Step-down Subsidiary of your Company with effect from the said date.

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

17. ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

As per the provisions of Section 177(9) of the Companies Act, 2013 read with Regulation 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for Directors and Employees to report improper acts or genuine concerns or any leak or suspect leak of Unpublished Price Sensitive Information. The Company has accordingly established a Vigil Mechanism through "Whistle Blower Policy" for all its Directors and Employees to report improper acts. The details of the said mechanism and policy are available on the Company's website www.inoxwind.com.

18. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls commensurate with its size and nature of its business. The Board has reviewed Internal Financial Controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company. The Internal Auditors of the Company also tests the internal controls independently.

19. INDEPENDENT AUDITOR'S REPORT

There are no reservations, qualifications, adverse remarks or disclaimers in the Independent Auditor's Report. The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under Section 134(3)(f) of the Companies Act, 2013.

20. INDEPENDENT AUDITORS

Members at their 9th Annual General Meeting held on 12th July, 2018 had appointed M/s. Dewan P.N. Chopra & Co., Chartered Accountants, New Delhi (Firm Registration No. 000472N) as Independent Auditors of the Company from the conclusion of 9th Annual General Meeting until conclusion of 14th Annual General Meeting. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

21. 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 Board of Directors, based on the recommendation of the Audit Committee, re-appointed M/s. Jain Sharma and Associates, Cost Accountants (Firm Registration No. 000270) as Cost Auditors of the Company for conducting the Cost Audit for the Financial Year 2020-21 on a remuneration of ₹ 1,87,000/- (Rupees One Lakh Eighty Seven 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 has been included in the Notice of the Annual General Meeting.

Particulars of Cost Audit Report submitted by M/s. Jain Sharma and Associates, Cost Auditors in respect of Financial Year 2018-19 is as follows:

Financial Year	2018-19
Due date of filing of Cost Audit Report	7 th September, 2019
Actual date of filing of Cost Audit Report	5 th September, 2019

22. 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 had appointed M/s. J.K. Gupta & Associates, Company Secretaries, New Delhi to conduct Secretarial Audit of the Company for the Financial Year 2019-20.

The Secretarial Audit Report given by M/s. J.K. Gupta & Associates, in Form MR-3, for the Financial Year 2019-20 is annexed to this report as **Annexure C**. There is no qualification, reservation, adverse remark or disclaimer in their Secretarial Audit Report.

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

23. REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instance of fraud has been reported by any of the Auditors of the Company under Section 143(12) of the Companies Act, 2013 to the Audit Committee/Board of Directors or to the Central Government.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) (e) and 34(3) of the Listing Regulations read with Para B of Schedule V is presented in a separate Section forming part of this Annual Report.

25. CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) read with Para C of Schedule V of Listing Regulations, the Corporate Governance Report of the Company for the year under report and the Auditor's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

In compliance with the requirements of Regulation 17(8) of Listing Regulations, a certificate from the Chief Executive Officer and Chief Financial Officer of the Company, who are responsible for the finance function, was placed before the Board.

All the Board Members and Senior Management Personnel of the Company had affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Chief Executive Officer is enclosed as a part of the Corporate Governance Report.

26. BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front forms an integral part of this report. The said report is also available on the website of the Company; www.inoxwind.com.

27. 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, 2014, the extract of Annual Return, in Form MGT -9, is annexed to this report as **Annexure D** and is also available on the Company's website; www.inoxwind.com.

28. 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**.

29. PARTICULARS OF EMPLOYEES

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

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 forms part of this report.

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 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 Company Secretary at the Corporate Office of the Company.

30. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Shri Devansh Jain and Shri Vineet Valentine Davis, Non Independent Directors and Shri Shanti Prashad Jain, Independent Director of the Company. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at <https://www.inoxwind.com/wp-content/uploads/2014/11/CSR-Policy-Inox-Wind-Limited.pdf>. The report on CSR activities

as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as **Annexure G**.

31. SAFETY, HEALTH AND ENVIRONMENT

Safety, health and environment have been of prime concern to the Company and necessary efforts were made in this direction in line with the safety, health and environment policy laid down by the Company. Health of employees is being regularly monitored and environment has been maintained as per statutory requirements.

32. INSURANCE

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

33. RISK MANAGEMENT

The Board of Directors of the Company at its Meeting held on 4th November, 2017 approved the Enterprise Risk Management (ERM) Framework of the Company which is derived from COSO ERM – Aligning Risk with Strategy and Performance 2016 (Draft) framework established by committee of sponsoring organizations. According to this, Enterprise Risk Management is "The culture, capabilities and practices, integrated with strategy-setting and its execution, that organizations rely on to manage risk in creating, preserving, and realizing value". The Company has, therefore, adopted Residual risk approach and the Board of Directors has approved Enterprise Risk Register, Risk Reporting and its Monitoring system. The Company's risk management and mitigation strategy has been discussed in the Management Discussion and Analysis Report which forms part of this Annual Report. In the Board's view, there are no material risks, which may threaten the existence of the Company.

34. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on Prevention, Prohibition and Redressal of sexual harassment at the workplace 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.

During the year under review, no complaint on sexual harassment was received.

35. 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 have been no material changes and commitments which affect 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.

36. 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.

37. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Place: Noida
Date: 28th August, 2020

Vineet Valentine Davis
Whole-time Director
DIN: 06709239

Devansh Jain
Whole-time Director
DIN: 01819331

Annexure A

Salient Features of the Nomination and Remuneration Policy

1. Definitions:

- a. "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
- b. "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.
- c. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

2. 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.

Annexure B

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

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

Part A - Subsidiaries

(Amount in ₹)

Sr. No.	Name of Subsidiary						
	Inox Wind Infrastructure Services Limited	Waft Energy Private Limited	Marut-Shakti Energy India Limited	Satviki Energy Private Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Vinirmaa Energy Generation Private Limited	Sarayu Wind Power (Kondapuram) Private Limited
The date since when the subsidiary was acquired	11/05/2012	10/04/2018	13/09/2013	19/11/2015	09/12/2015	23/01/2016	25/03/2016
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	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Share Capital	1,162,129,790	100,000	6,110,700	8,350,000	100,000	500,000	100,000
Reserves and Surplus	(367,909,673)	(120,444)	(196,282,421)	(841,835)	(12,434,521)	(14,522,931)	(6,025,146)
Total Assets	22,905,867,595	1,118,453	370,633,115	7,677,464	914,384	16,603,875	11,136,773
Total Liabilities (excluding Share Capital and Reserves Surplus)	22,111,647,477	1,138,898	560,804,837	169,300	13,248,905	30,626,806	17,061,919
Investments	733,757,811	-	-	-	-	-	-
Turnover	4,120,760,214	-	47,614,934	27,925	296,955	47,697	-
Profit/(Loss) before taxation	(883,880,584)	(64,806)	(24,564,058)	(123,000)	(1,589,548)	(2,671,977)	1,578,493
Provision for taxation	(308,864,000)	-	-	-	-	-	-
Profit/(Loss) after taxation	(575,016,583)	(64,806)	(24,564,058)	(123,000)	(1,589,548)	(2,671,977)	1,578,493
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100 by Inox Wind Limited	100 by Inox Wind Limited	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited

	(Amount in ₹)				
	Vigodi Wind Energy Private Limited	Ravapar Wind Energy Private Limited	Nani Virani Wind Energy Private Limited	Aliento Wind Energy Private Limited	Tempest Wind Energy Private Limited
Sr. No	20	21	22	23	24
The date since when the subsidiary was acquired	20/11/2017	20/11/2017	20/11/2017	17/01/2018	17/01/2018
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	100,000	100,000	100,000	100,000	100,000
Reserves and Surplus	(211,376)	(218,187)	(218,207)	(2,207,171)	(2,207,971)
Total Assets	44,776	26,195	26,095	9,466,552	9,455,532
Total Liabilities	156,152	144,382	144,302	11,573,723	11,563,503
Investments	-	-	-	-	-
Turnover	-	-	-	9,839	9,841
Profit/(Loss) before taxation	(71,907)	(116,061)	(116,081)	(774,074)	(774,144)
Provision for taxation	-	-	-	-	-
Profit/(Loss) after taxation	(71,907)	(116,061)	(116,081)	(774,074)	(774,144)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100 by Inox Wind Infrastructure Services Limited				

(Amount in ₹)

	Vuelta Wind Energy Private Limited	Flutter Wind Energy Private Limited	Flurry Wind Energy Private Limited	Sri Pavan Energy Private Limited	Resco Global Wind Services Private Limited
Sr. No	25	26	27	28	29
The date since when the subsidiary was acquired	17/01/2018	18/01/2018	18/01/2018	09/04/2018	21/01/2020
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	Not Applicable	Not Applicable	Not Applicable
Share Capital	100,000	100,000	100,000	1,000,000	100,000
Reserves and Surplus	(2,214,268)	(2,693,428)	(2,207,750)	(2,516,095)	(1,645,092)
Total Assets	9,436,543	9,034,587	9,455,532	331,631,057	327,500
Total Liabilities	11,550,811	11,628,015	11,563,282	333,147,152	1,872,592
Investments	-	-	-	-	-
Turnover	9,840	8,403	9,841	13,969,311	-
Profit/(Loss) before taxation	(790,038)	(806,907)	(773,923)	5,459,565	(1,645,092)
Provision for taxation	-	-	-	(884,033)	-
Profit/(Loss) after taxation	(790,038)	(806,907)	(773,923)	6,343,598	(1,645,092)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil
% of Shareholding	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited	51 by Inox Wind Infrastructure Services Limited	100 by Inox Wind Infrastructure Services Limited

* The reporting period of all subsidiaries is the same as that of its holding company i.e. 31st March, 2020.

Name of subsidiaries which are yet to commence operations: Nil

Name 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

Sr. No.	Particulars	Name
1	Latest Audited Balance Sheet date	Not Applicable
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associates/Joint Ventures held by the Company on the year end	
	Number	
	Amount of investment in Associates/Joint Venture	
	Extent of holding %	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Net worth attributable to Shareholding as per latest balance sheet	
7	Profit/Loss for the year	
	i. Considered in consolidation	
	ii. 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

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
DIN: 01819331

Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Place: Noida

Date: 28th August, 2020

Deepak Banga

Company Secretary

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

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

To,
The Members,
Inox Wind Limited
Plot No. 1, Khasra Nos. 264 to 267, Industrial Area,
Village Basal, Una, HP -174303

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**Inox Wind 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 "**Inox Wind Limited**" 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 31st March, 2020 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 Limited** ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'): -

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [herein after referred to as SEBI (LODR), 2015].
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period)

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange and National Stock Exchange.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **J. K. Gupta & Associates**

Jitesh Gupta

FCS No. 3978

C P No.: 2448

UDIN : F003978B000584822

Place: Delhi

Date: 17th August, 2020

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.

'Annexure A'

Annexure to the Secretarial Audit Report

To,
The Members
Inox Wind Limited
Plot No. 1, Khasra Nos. 264 to 267 Industrial Area
Village Basal, Una, HP -174303

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
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 relied on the Internal Auditors Report for the period under review; hence we have verified the correctness and appropriateness of Statutory Compliances of the Company on sample basis. The Observations, if any, mentioned in their Audit report also forming part of this report.
4. We have relied on the Statutory Auditors' Report for the period under review; hence we have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Observations, if any, mentioned in their Audit report also forming part of this report.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. 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 **J. K. Gupta & Associates**

Place: Delhi
Date: 17th August, 2020

Jitesh Gupta
FCS No. 3978
C P No.: 2448

Annexure D

Form No. MGT – 9

Extract of Annual Return as on the Financial Year ended on 31st March, 2020

[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	L31901HP2009PLC031083
ii.	Registration Date	9 th April, 2009
iii.	Name of the Company	Inox Wind 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 : Plot No. 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal-174303, District Una, Himachal Pradesh Tel: +91 1975 272001 Fax: +91 1975 272001
vi.	Whether listed company yes or no	Yes
vii.	Name, Address and Contact Details of Registrar and Share Transfer Agents, if any	Link Intime India Private Limited Noble Heights, 1 st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Tel. : +91 11 49411000 Fax: +91 11 4141 0591 Email : rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacturing of Wind Turbine Generators and its Components	2710	67.36

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	CIN/GLN, Name and Registered Office Address	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	U65910MH1995PLC085703 Inox Leasing and Finance Limited, 69, Jolly Maker Chambers II, Nariman Point, Mumbai – 400021, Maharashtra	Ultimate Holding	NIL	2 (46)
2.	L24110GJ1987PLC009362 GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) Survey No. 16/3, 26 and 27 Ranjitnagar – 389380 Taluka Ghoghamba, District Panchmahal, Gujarat	Holding	56.98	2 (46)

Sr. No.	CIN/GLN, Name and Registered Office Address	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	U45207GJ2012PLC070279 Inox Wind Infrastructure Services Limited Plot No. 1837 and 1834, At Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara - 390007, Gujarat	Subsidiary	100.00	2 (87)
4.	U40200GJ2018PTC101752 Waft Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Subsidiary	100.00	2 (87)
5.	U04010GJ2000PLC083233 Marut-Shakti Energy India Limited Plot No. 1837 and 1834, Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
6.	U40100AP2013PTC089795 Satviki Energy Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Rangareddi, Telangana - 500084	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
7.	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Rangareddi, Telangana - 500084	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
8.	U40109TG2007PTC056146 Vinirmaa Energy Generation Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Rangareddi, Telangana - 500084	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
9.	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Rangareddi, Telangana - 500084	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
10.	U40100TG2005PLC047851 RBRK Investments Limited Flat No.303, Meenakshi Avenue, Plot No. 120, 121, 122 & 123, Cyber Village, Bikshapathi Nagar, Kondapur, Hyderabad, Rangareddi, Telangana - 500084	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
11.	U40106GJ2017PTC097088 Wind One Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2 nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
12.	U40300GJ2017PTC096960 Wind Two Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2 nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

Sr. No.	CIN/GLN, Name and Registered Office Address	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
13.	U40200GJ2017PTC096956 Wind Three Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2 nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
14.	U40300GJ2017PTC097003 Wind Four Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2 nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
15.	U40100GJ2017PTC096973 Wind Five Renergy Private Limited Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, 2 nd Floor, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
16.	U40300GJ2017PTC097128 Suswind Power Private Limited 301, ABS Towers, Old Padra Road, Vadodara - 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
17.	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
18.	U40300GJ2017PTC097140 Ripudaman Urja Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
19.	U40106GJ2017PTC098230 Vibhav Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
20.	U40300GJ2017PTC099818 Haroda Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
21.	U40300GJ2017PTC099831 Khatiyu Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
22.	U40300GJ2017PTC099851 Vigodi Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
23.	U40300GJ2017PTC099854 Ravapar Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara -390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

Sr. No.	CIN/GLN, Name and Registered Office Address	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
24.	U40300GJ2017PTC099852 Nani Virani Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
25.	U40300GJ2018PTC100585 Aliento Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
26.	U40106GJ2018PTC100590 Tempest Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
27.	U40106GJ2018PTC100591 Vuelta Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
28.	U40300GJ2018PTC100609 Flutter Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
29.	U40200GJ2018PTC100607 Flurry Wind Energy Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)
30.	U40300GJ2018PTC101713 Sri Pavan Energy Private Limited* 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	51.00 held by Inox Wind Infrastructure Services Limited	2 (87)
31.	U40106GJ2020PTC112187 Resco Global Wind Services Private Limited 301, ABS Towers, Old Padra Road, Vadodara – 390007, Gujarat	Step-down Subsidiary	100.00 held by Inox Wind Infrastructure Services Limited	2 (87)

* Ceased to be the step-down subsidiary w.e.f. 22nd May, 2020

IV. SHAREHOLDING PATTERN (Equity Share Capital break up as a percentage of Total Equity)

i. Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year (1 st April, 2019)				No. of shares held at the end of the year (31 st March, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals/Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	
(b)	Central Government/State Government(s)	0	0	0	0.0000	0	0	0	0.0000	
(c)	Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0.0000	
(d)	Any Other (Specify)									
	Bodies Corporate	166,438,669	0	166,438,669	75.0000	166,438,669	0	166,438,669	75.0000	
	Sub Total (A)(1)	166,438,669	0	166,438,669	75.0000	166,438,669	0	166,438,669	75.0000	

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year (1 st April, 2019)				No. of shares held at the end of the year (31 st March, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	166,438,669	0	166,438,669	75.0000	166,438,669	0	166,438,669	75.0000	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds/UTI	624,454	0	624,454	0.2814	773	0	773	0.0003	-0.2811
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	991,998	0	991,998	0.4470	782,462	0	782,462	0.3526	-0.0944
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	15,366,418	0	15,366,418	6.9244	4,227,762	0	4,227,762	1.9051	-5.0193
(f)	Financial Institutions/Banks	77,125	0	77,125	0.0348	400,050	0	400,050	0.1803	0.1455
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	17,059,995	0	17,059,995	7.6876	5,411,047		5,411,047	2.4383	-5.2493
[2]	Central Government/State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	9,129,430	1	9,129,431	4.1139	9,906,798	1	9,906,799	4.4642	0.3503
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	10,254,012	0	10,254,012	4.6206	10,844,035	0	10,844,035	4.8865	0.2659
(b)	NBFCs registered with RBI	510,863	0	510,863	0.2302	470,000	0	470,000	0.2118	-0.0184
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Trusts	7,200	0	7,200	0.0032	1,550	0	1,550	0.0007	-0.0025
	Foreign Nationals	430	0	430	0.0002	430	0	430	0.0002	0.0000
	Hindu Undivided Family	4,194,707	0	4,194,707	1.8902	3,032,079	0	3,032,079	1.3663	-0.5239
	Non Resident Indians (Non Repat)	438,595	0	438,595	0.1976	1,534,995	0	1,534,995	0.6917	0.4941
	Non Resident Indians (Repat)	486,680	0	486,680	0.2193	604,147	0	604,147	0.2722	0.0529
	Clearing Member	661,302	0	661,302	0.2980	1,991,125	0	1,991,125	0.8972	0.5992
	Bodies Corporate	12,736,342	0	12,736,342	5.7392	21,683,350	0	21,683,350	9.7709	4.0317
	Sub Total (B)(3)	38,419,561	1	38,419,562	17.3124	50,068,509	1	50,068,510	22.5617	5.2493
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	55,479,556	1	55,479,557	25.0000	55,479,556	1	55,479,557	25.0000	0.0000
	Total (A)+(B)	221,918,225	1	221,918,226	100.0000	221,918,225	1	221,918,226	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	221,918,225	1	221,918,226	100.0000	221,918,225	1	221,918,226	100.0000	0.0000

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1 st April, 2019)			Shareholding at the end of the year (31 st March, 2020)			% 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	GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	126,438,669	56.9753	0.0000	126,438,669	56.9753	0.0000	0.0000
2	Devansh Trademart LLP	10,000,000	4.5062	0.0000	10,000,000	4.5062	0.0000	0.0000
3	Inox Chemicals LLP	10,000,000	4.5062	0.0000	10,000,000	4.5062	0.0000	0.0000
4	Siddhapavan Trading LLP	10,000,000	4.5062	0.0000	10,000,000	4.5062	0.0000	0.0000
5	Siddho Mal Trading LLP	10,000,000	4.5062	0.0000	10,000,000	4.5062	0.0000	0.0000
	Total	166,438,669	75.0000	0.0000	166,438,669	75.0000	0.0000	0.0000

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

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (31 st March, 2020)	
		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	GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	126,438,669	56.9753	-	-	126,438,669	56.9753
	At the end of the year					126,438,669	56.9753
2	Inox Chemicals LLP	10,000,000	4.5062	-	-	10,000,000	4.5062
	At the end of the year					10,000,000	4.5062
3	Devansh Trademart LLP	10,000,000	4.5062	-	-	10,000,000	4.5062
	At the end of the year					10,000,000	4.5062
4	Siddhapavan Trading LLP	10,000,000	4.5062	-	-	10,000,000	4.5062
	At the end of the year					10,000,000	4.5062
5	Siddho Mal Trading LLP	10,000,000	4.5062	-	-	10,000,000	4.5062
	At the end of the year					10,000,000	4.5062

(iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (31 st March, 2020)	
		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	PROGRESSIVE STAR FINANCE PVT LTD	0	0.0000			0	0.0000
	Transfer			03 Jan 2020	1,000,000	1,000,000	0.4506
	Transfer			10 Jan 2020	560,000	1,560,000	0.7030
	Transfer			17 Jan 2020	1,998,610	3,558,610	1.6036
	Transfer			24 Jan 2020	1,500,000	5,058,610	2.2795
	Transfer			07 Feb 2020	286,956	5,345,566	2.4088
	Transfer			14 Feb 2020	510,909	5,856,475	2.6390
	Transfer			21 Feb 2020	3,525	5,860,000	2.6406
	Transfer			13 Mar 2020	(200,000)	5,660,000	2.5505
	Transfer			27 Mar 2020	1,000,000	6,660,000	3.0011
	AT THE END OF THE YEAR					6,660,000	3.0011

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (31 st March, 2020)	
		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
2	AADI FINANCIAL ADVISORS LLP	3,111,110	1.4019			3,111,110	1.4019
	Transfer			05 Apr 2019	(40,546)	3,070,564	1.3836
	Transfer			31 Dec 2019	(236,349)	2,834,215	1.2771
	Transfer			03 Jan 2020	(125,000)	2,709,215	1.2208
	AT THE END OF THE YEAR					2,709,215	1.2208
3	ELARA INDIA OPPORTUNITIES FUND LIMITED	2,200,000	0.9914			2,200,000	0.9914
	AT THE END OF THE YEAR					2,200,000	0.9914
4	EMKAY GLOBAL FINANCIAL SERVICE LTD A/C F&O EXCHANGE COLLATERAL ACCOUNT	0	0.0000			0	0.0000
	Transfer			12 Apr 2019	1	1	0.0000
	Transfer			17 May 2019	249	250	0.0001
	Transfer			24 May 2019	250	500	0.0002
	Transfer			14 Jun 2019	(250)	250	0.0001
	Transfer			09 Aug 2019	(206)	44	0.0000
	Transfer			23 Aug 2019	956	1,000	0.0005
	Transfer			30 Aug 2019	(900)	100	0.0000
	Transfer			20 Sep 2019	106	206	0.0001
	Transfer			29 Nov 2019	99,794	100,000	0.0451
	Transfer			06 Dec 2019	(54,849)	45,151	0.0203
	Transfer			13 Dec 2019	343	45,494	0.0205
	Transfer			20 Dec 2019	10,106	55,600	0.0251
	Transfer			27 Dec 2019	(54,700)	900	0.0004
	Transfer			03 Jan 2020	(850)	50	0.0000
	Transfer			10 Jan 2020	2,203	2,253	0.0010
	Transfer			17 Jan 2020	(2,203)	50	0.0000
	Transfer			24 Jan 2020	11,980	12,030	0.0054
	Transfer			31 Jan 2020	10,897	22,927	0.0103
	Transfer			07 Feb 2020	(8,243)	14,684	0.0066
	Transfer			14 Feb 2020	(9,409)	5,275	0.0024
	Transfer			21 Feb 2020	(3,525)	1,750	0.0008
	Transfer			28 Feb 2020	2,499,500	2,501,250	1.1271
	Transfer			06 Mar 2020	(169,247)	2,332,003	1.0508
	Transfer			13 Mar 2020	(298,248)	2,033,755	0.9164
	Transfer			20 Mar 2020	(1,502)	2,032,253	0.9158
	AT THE END OF THE YEAR					2,032,253	0.9158
5	INDIA OPPORTUNITIES GROWTH FUND LTD - PINEWOOD STRATEGY	1,183,335	0.5332			1,183,335	0.5332
	Transfer			03 Jan 2020	100,000	1,283,335	0.5783
	Transfer			10 Jan 2020	37,500	1,320,835	0.5952
	Transfer			17 Jan 2020	90,182	1,411,017	0.6358
	AT THE END OF THE YEAR					1,411,017	0.6358
6	NIRMAL BANG SECURITIES PRIVATE LIMITED	13,675	0.0062			13,675	0.0062
	Transfer			05 Apr 2019	496	14,171	0.0064
	Transfer			12 Apr 2019	7,944	22,115	0.0100
	Transfer			19 Apr 2019	(2,490)	19,625	0.0088
	Transfer			26 Apr 2019	48	19,673	0.0089
	Transfer			03 May 2019	(1,845)	17,828	0.0080
	Transfer			10 May 2019	802	18,630	0.0084
	Transfer			17 May 2019	10	18,640	0.0084
	Transfer			24 May 2019	(322)	18,318	0.0083
	Transfer			31 May 2019	348	18,666	0.0084
	Transfer			07 Jun 2019	(7,872)	10,794	0.0049

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (31 st March, 2020)	
		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
	Transfer			14 Jun 2019	(83)	10,711	0.0048
	Transfer			21 Jun 2019	(175)	10,536	0.0047
	Transfer			29 Jun 2019	(10)	10,526	0.0047
	Transfer			05 Jul 2019	(222)	10304	0.0046
	Transfer			12 Jul 2019	306	10,610	0.0048
	Transfer			19 Jul 2019	(13)	10,597	0.0048
	Transfer			26 Jul 2019	200	10,797	0.0049
	Transfer			02 Aug 2019	(190)	10,607	0.0048
	Transfer			09 Aug 2019	(3,813)	6,794	0.0031
	Transfer			16 Aug 2019	479	7,273	0.0033
	Transfer			23 Aug 2019	459	7,732	0.0035
	Transfer			30 Aug 2019	1,216	8,948	0.0040
	Transfer			06 Sep 2019	(986)	7,962	0.0036
	Transfer			13 Sep 2019	317	8,279	0.0037
	Transfer			20 Sep 2019	(1,190)	7,089	0.0032
	Transfer			27 Sep 2019	(1,694)	5,395	0.0024
	Transfer			30 Sep 2019	315	5,710	0.0026
	Transfer			04 Oct 2019	(1,385)	4,325	0.0019
	Transfer			11 Oct 2019	(365)	3,960	0.0018
	Transfer			18 Oct 2019	(225)	3,735	0.0017
	Transfer			25 Oct 2019	75	3,810	0.0017
	Transfer			01 Nov 2019	(130)	3,680	0.0017
	Transfer			08 Nov 2019	(47)	3,633	0.0016
	Transfer			15 Nov 2019	3,107	6,740	0.0030
	Transfer			22 Nov 2019	(1,454)	5,286	0.0024
	Transfer			29 Nov 2019	(227)	5,059	0.0023
	Transfer			06 Dec 2019	172	5,231	0.0024
	Transfer			13 Dec 2019	375	5,606	0.0025
	Transfer			20 Dec 2019	(3)	5,603	0.0025
	Transfer			27 Dec 2019	4,260	9,863	0.0044
	Transfer			31 Dec 2019	(5,068)	4,795	0.0022
	Transfer			03 Jan 2020	(2,617)	2,178	0.0010
	Transfer			10 Jan 2020	6,193	8,371	0.0038
	Transfer			17 Jan 2020	9,330	17,701	0.0080
	Transfer			24 Jan 2020	(9,961)	7,740	0.0035
	Transfer			31 Jan 2020	4,552	12,292	0.0055
	Transfer			07 Feb 2020	4,011	16,303	0.0073
	Transfer			14 Feb 2020	(72)	16,231	0.0073
	Transfer			21 Feb 2020	(1,033)	15,198	0.0068
	Transfer			28 Feb 2020	(3,974)	11,224	0.0051
	Transfer			06 Mar 2020	631	11,855	0.0053
	Transfer			13 Mar 2020	1,661	13,516	0.0061
	Transfer			20 Mar 2020	(54)	13,462	0.0061
	Transfer			27 Mar 2020	3,127	16,589	0.0075
	Transfer			31 Mar 2020	1,326,863	13,43,452	0.6054
	AT THE END OF THE YEAR					13,43,452	0.6054
7	MEENU BHANSHALI	1,339,883	0.6038			13,39,883	0.6038
	AT THE END OF THE YEAR					13,39,883	0.6038
8	MANEK BHANSHALI	1,291,154	0.5818			12,91,154	0.5818
	AT THE END OF THE YEAR					12,91,154	0.5818
9	JANHAVI NILEKANI	1,274,630	0.5744			12,74,630	0.5744
	AT THE END OF THE YEAR					12,74,630	0.5744

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (31 st March, 2020)	
		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
10	NIHAR NILEKANI	231,000	0.1041			231,000	0.1041
	Transfer			24 May 2019	108,745	339,745	0.1531
	Transfer			29 Jun 2019	374,000	713,745	0.3216
	Transfer			05 Jul 2019	226,000	939,745	0.4235
	Transfer			12 Jul 2019	200,000	1,139,745	0.5136
	AT THE END OF THE YEAR					1,139,745	0.5136
11	SECURITIES HOLDINGS INDIA PRIVATE LIMITED	1,500,000	0.6759			1,500,000	0.6759
	Transfer			29 Nov 2019	(125,000)	1,375,000	0.6196
	Transfer			06 Dec 2019	(199,378)	1,175,622	0.5298
	Transfer			20 Mar 2020	(275,622)	900,000	0.4056
	AT THE END OF THE YEAR					900,000	0.4056
12	MANGAL BHANSHALI	2,120,000	0.9553			2,120,000	0.9553
	Transfer			31 Mar 2020	(1,330,000)	790,000	0.3560
	AT THE END OF THE YEAR					790,000	0.3560
13	NOMURA SINGAPORE LIMITED ODI	10,548,070	4.7531			10,548,070	4.7531
	Transfer			13 Dec 2019	(257,831)	10,290,239	4.6370
	Transfer			20 Dec 2019	(243,461)	10,046,778	4.5272
	Transfer			03 Jan 2020	(206,084)	9,840,694	4.4344
	Transfer			10 Jan 2020	(588,003)	9,252,691	4.1694
	Transfer			17 Jan 2020	(2,000,000)	7,252,691	3.2682
	Transfer			24 Jan 2020	(1,301,860)	5,950,831	2.6815
	Transfer			31 Jan 2020	(283,135)	5,667,696	2.5540
	Transfer			07 Feb 2020	(300,000)	5,367,696	2.4188
	Transfer			14 Feb 2020	(1,000,000)	4,367,696	1.9682
	Transfer			21 Feb 2020	(1,000,000)	3,367,696	1.5175
	Transfer			28 Feb 2020	(1,000,000)	2,367,696	1.0669
	Transfer			06 Mar 2020	(500,000)	1,867,696	0.8416
	Transfer			13 Mar 2020	(18,821)	1,848,875	0.8331
	Transfer			20 Mar 2020	(525,774)	1,323,101	0.5962
	Transfer			31 Mar 2020	(1,000,000)	323,101	0.1456
	AT THE END OF THE YEAR					323,101	0.1456
14	PAYAL BHANSHALI	1,431,801	0.6452			1,431,801	0.6452
	Transfer			07 Jan 2020	(1,431,801)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2019)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31 st March, 2020)	
		No. of shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
Directors							
1	Shri Devansh Jain, Whole -time Director	0	0	Nil Movement	Nil Movement	0	0
2	Shri Siddharth Jain, Non Independent Director	0	0	Nil Movement	Nil Movement	0	0

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2019)		Date	Increase or Decrease in Holding	Shareholding at the end of the year (31 st March, 2020)	
		No. of shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
3	Shri Kailash Lal Tarachandani, Whole-time Director & Chief Executive Officer	2,230	0.001	Nil Movement	Nil Movement	2,230	0.001
4	Shri Shanti Prashad Jain, Independent Director	0	0	Nil Movement	Nil Movement	0	0
5	Shri Chandra Prakash Jain, Independent Director (upto 20 th October 2019)	0	0	Nil Movement	Nil Movement	0	0
6	Ms. Bindu Saxena, Independent Director	0	0	Nil Movement	Nil Movement	0	0
7	Shri V. Sankaranarayanan, Independent Director	0	0	Nil Movement	Nil Movement	0	0
Key Managerial Personnel							
8	Shri Narayan Lodha, Chief Financial Officer	0	0	Nil Movement	Nil Movement	0	0
9	Shri Deepak Banga, Company Secretary	2	0	Nil Movement	Nil Movement	2	0

V. INDEBTEDNESS

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

(₹ in Lakhs)

Details of Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	64,612.39	9,500.00	-	74,112.39
ii. Interest due but not paid	312.97	-	-	312.97
iii. Interest accrued but not due	62.67	-	-	62.67
Total (i+ii+iii)	64,988.03	9,500.00	-	74,488.03
Change in Indebtedness during the financial year				
• Addition	-	2,874.77	-	2,874.77
• Reduction	(16,663.12)	-	-	(16,663.12)
Net Change	(16,663.12)	2,874.77	-	(13,788.35)
Indebtedness at the end of the financial year				
i. Principal Amount	48,017.91	11,985.00	-	60,002.91
ii. Interest due but not paid	272.92	-	-	272.92
iii. Interest accrued but not due	34.08	389.77	-	423.85
Total (i+ii+iii)	48,324.91	12,374.77	-	60,699.68

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹ in Lakhs)
		Shri Devansh Jain (Whole-time Director)	Shri Kailash Lal Tarachandani (Whole-time Director & CEO)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	84.00	246.90*	330.90
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify:	8.64	0.22	8.86
	Contribution to Provident Fund	-	-	-
	Total (A)	92.64	247.12	339.76
	Ceiling as per the Act			#

* includes amount of ₹100 Lakhs paid towards special incentive/award.

not applicable as the Company has incurred losses during the Financial Year 2019-20.

B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹ in Lakhs)
		Shri Shanti Prashad Jain	Shri Chandra Prakash Jain*	Ms. Bindu Saxena	Shri V. Sankaranarayanan	
1	Independent Directors					
	Fee for attending Board/Committee Meetings	1.80	0.80	0.80	1.20	4.60
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (1)	1.80	0.80	0.80	1.20	4.60
2	Other Non-Executive Directors					
		Shri Siddharth Jain				
	Fee for attending Board/Committee Meetings	0.20				0.20
	Commission	-				-
	Others	-				-
	Total (2)	0.20				0.20
	Total of B = (1+2)					4.80
	Total Managerial Remuneration (A +B)					344.56
	Overall Ceiling as per the Act					#

* ceased to be a Director w.e.f. 21st October, 2019.

not applicable as the Company has incurred losses during the Financial Year 2019-20.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer (Shri Narayan Lodha)	Company Secretary (Shri Deepak Banga)	Total (₹ in Lakhs)
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	42.42	34.53	76.95
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission			
	- as % of profit	0.00	0.00	0.00
	- others, specify...	0.00	0.00	
5	Others, please specify (Provident Fund)	0.22	0.21	0.43
Total		42.64	34.74*	77.38

* excludes ₹ 5.51 Lakhs paid towards variable pay which relates to previous financial years.

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
Company					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
Directors					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
Other Officers in default					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil

Annexure E

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

(i) The steps taken or impact on conservation of energy:

- Reduced the contract demand from 1100 KVA to 900 KVA at plant level thereby causing reduction in electricity bill by ₹ 1,00,800 per month
- Implemented two coat paint system in Tower and reduced heating time which resulted in saving of 144 units per tower.

(ii) The steps taken by the Company for utilising alternate sources of energy: Nil

(iii) Capital Investment on energy conservation equipments: Nil

(B) TECHNOLOGY ABSORPTION

The following measures were taken regarding technology absorption:

Blade Plant

- Infusion process was modified and template modification was done at various stages of production process to achieve nominal weight of blade;
- Optimized epoxy infusion approx. 100Kgs. ~₹ 25,800 in moulding of prefabrication parts developing see through window to improvise the process;
- Lessen the left out waste from material preparation to avoid overlapping and resin retention during moulding process;
- Modified epoxy paste application template saving approx. 200Kgs. ~₹ 2,40,000 during process.

The above process changes caused the following results-impacted weight of blades from 10,600Kgs.~Higher end to 10,300Kgs.~Nominal range. Further, it caused the direct cost saving of ₹ 2,65,800/machine under acceptable technical norms and also impacted indirect cost savings such as higher lifespan of machine and less maintenance costs due to less wear & tear of rotating parts/equipments during operation.

Tower Plant

Earlier we were following three coat paint system in which two coats were applied in inside section and three coats in outside section. Now we have implemented two coat paint system – single coat in inside section and two coats in outside section without changing any quality parameters. This has resulted in saving 4 hours Tower curing time thereby increasing productivity and reduced LPG consumption by 60 kg per tower

(C) THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

Nil

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange Earned – Nil

Foreign exchange Outgo – ₹ 8,238.08 Lakhs

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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020:

Sr. No.	Name of Director/KMP for FY 2019-20	Remuneration of Director/ KMP for FY 2019-20 (₹ in Lakhs)	% increase in remuneration in the FY 2019-20	Ratio of Remuneration of each of Directors to median remuneration of employees
1	Shri Devansh Jain, Whole-time Director	92.64	-	1 : 55.89
2	Shri Kailash Lal Tarachandani, Whole-time Director & Chief Executive Officer	247.12 [^]	-	1 : 164.27
3	Shri Siddharth Jain, Non-Independent Director	*	*	*
4	Shri V. Sankaranarayanan, Independent Director	*	*	*
5	Shri Shanti Prashad Jain, Independent Director	*	*	*
6	Shri Chandra Prakash Jain, Independent Director (upto 20 th October, 2019)	*	*	*
7	Ms. Bindu Saxena, Independent Director	*	*	*
8	Shri Narayan Lodha, Chief Financial Officer	42.64	-	N.A.
9	Shri Deepak Banga, Company Secretary	34.74 ^{**}	29%	N.A.

[^] includes amount of ₹ 100 Lakhs paid towards special incentive/award.

* Directors are only paid sitting fees and no other remuneration.

** excludes ₹ 5.51 Lakhs paid towards variable pay which relates to previous financial years.

- 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 8%
- 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 31st March, 2020 was 1225
- 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 19%
- 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 Company Secretary at the Corporate Office of the Company.

Certificate from the Statutory Auditor regarding compliance of conditions of Corporate Governance

To the Members of
Inox Wind Limited

We have examined the compliance of conditions of Corporate Governance by Inox Wind Limited, for the Financial Year ended on 31st March, 2020, as stipulated in Clause E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations in all material respect except that the Chairman of the Audit Committee/Nomination and Remuneration Committee had not attended the last Annual General Meeting of the Company for the reasons mentioned in paragraph 3(B) and 4(C) of the Corporate Governance Report prepared by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Dewan P.N. Chopra & Co.

Chartered Accountants
Firm's Registration No.000472N

Sandeep Dahiya

Partner

Membership No. 505371

UDIN: 20505371AAAAIV8906

Place: Noida

Date: 28th August, 2020

Corporate Governance Report

In compliance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations), Inox Wind Limited ("the Company") is pleased to submit this Report on the matters listed in Para C of Schedule V of the Listing Regulations and the practices followed by the Company in this regard for the year ended 31st March, 2020.

1. A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system by which companies are directed and controlled by the Management in the best interest of the Shareholders and others; ensuring greater transparency and better and timely financial reporting. Corporate Governance therefore generates long term economic value for its Stakeholders.

Inox Wind Limited believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, the Company has initiated significant measures for compliance with Corporate Governance.

2. BOARD OF DIRECTORS

(A) COMPOSITION AND CATEGORY OF DIRECTORS

As at the end of the Financial Year 31st March, 2020, the Board of Directors consisted of 6 Directors of which 2 were

Executive Directors and 4 were Non-Executive Directors, including one Woman Director. Hence, the composition of the Board of Directors consisted of optimum combination of Executive and Non-Executive Directors. The Board of Directors consisted of 3 Independent Directors and 3 Non-Independent Directors during the Financial Year 2019-20. Thus, the composition of the Board, as on 31st March, 2020, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations in this respect.

(B) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD WITH THE DATES, ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING, DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE AND NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS

The Meetings of the Board have been held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the Financial Year 2019-20, the Board met 4 (Four) times on following dates, namely, 18th May, 2019, 9th August, 2019, 8th November, 2019 and 7th February, 2020.

The following table gives details of Directors, details of attendance of Directors at the Board Meetings, at the Annual General Meeting (AGM), Disclosure of relationships between Directors inter-se and number of shares held by Non-Executive Directors as at 31st March, 2020:

Name of the Director	Category of Director	No. of Board Meetings attended	Whether attended last AGM	Relationship between Directors inter-se	Number of shares held by Non-Executive Director
Shri Devansh Jain	Whole-time Director	4	No	No inter-se relationship between Directors	Not Applicable
Shri Kailash Lal Tarachandani (Ceased as a Director w.e.f 19 th May, 2020 but continues as CEO)	Whole-time Director & CEO	4	Yes	No inter-se relationship between Directors	Not Applicable
Shri Siddharth Jain (Resigned from Directorship w.e.f. 29 th July, 2020)	Non-Independent Non - Executive Director	1	No	No inter-se relationship between Directors	-
Shri Shanti Prashad Jain	Independent Non - Executive Director	4	No	No inter-se relationship between Directors	-
Shri Chandra Prakash Jain (Ceased as a Director w.e.f. 21 st October, 2019)	Independent Non - Executive Director	2	No	No inter-se relationship between Directors	-

Name of the Director	Category of Director	No. of Board Meetings attended	Whether attended last AGM	Relationship between Directors inter-se	Number of shares held by Non-Executive Director
Ms. Bindu Saxena	Independent Non – Executive Director	2	No	No inter-se relationship between Directors	-
Shri Venkatanarayanan Sankaranarayanan	Independent Non – Executive Director	3	No	No inter-se relationship between Directors	-

The Company has not issued any Convertible Instruments and hence, the details in respect of such Convertible Instruments held by Non-Executive Directors are not provided.

(C) NUMBER OF DIRECTORSHIPS AND COMMITTEES MEMBERSHIP/CHAIRMANSHIP

Name of the Director	Category of Director	Details of other Directorships and Committee positions held in companies as on 31 st March, 2020			
		No. of Directorships in other Companies*	Directorship in other Listed Companies: Name of the entity and Category of Directorship	Committee**	
				No. of Membership of Public Limited Companies including the Company	No. of Chairpersonship of Listed Companies including the Company
Shri Devansh Jain	Whole-time Director	3	-	3	0
Shri Kailash Lal Tarachandani (Ceased as a Director w.e.f 19 th May, 2020 but continues as CEO)	Whole-time Director & CEO	1	-	1	0
Shri Siddharth Jain (Resigned from Directorship w.e.f. 29 th July, 2020)	Non-Independent Non-Executive Director	8	Inox Leisure Limited (Non-Executive Director)	3	1
Shri Shanti Prashad Jain	Independent Non -Executive Director	7	1. Inox Wind Infrastructure Services Limited (Independent Director) 2. GFL Limited (Independent Director) 3. Gujarat Fluorochemicals Limited (Independent Director)	9	5
Shri Chandra Prakash Jain (Ceased as a Director w.e.f. 21 st October, 2019)	Independent Non – Executive Director	N.A.	N.A.	N.A.	N.A.
Ms. Bindu Saxena	Independent Non -Executive Director	5	Indag Rubber Limited (Independent Director)	1	0
Shri Venkatanarayanan Sankaranarayanan	Independent Non -Executive Director	5	-	3	0

* Number of Directorships in other Companies excludes Directorship of Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

** Committee means Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the Listing Regulations.

None of the Directors are Directors in more than 10 Public Limited Companies or act as an Independent Director in more than 7 Listed Companies. Further, none of the Directors act as a Member of more than 10 Committees or acted as a Chairman of more than 5 Committees across all Listed Companies.

(D) WEB LINK OF FAMILIARIZATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

Details of Familiarization Programme imparted to Independent Directors have been disclosed on the Company's website. The same can be viewed at <https://www.inoxwind.com/familiarization-programmes/>.

(E) SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

In compliance with the Listing Regulations, the Board had identified the following list of core skills/expertise/competencies as required for the effective functioning of the Company's business which are currently available with the Board:

1. Power sector, particularly renewable energy sector
2. Wind power industry
3. Corporate marketing, tendering
4. Accounts and finance, financial management, audit management, taxation
5. Corporate Governance, Administration
6. Legal and Compliance
7. Business strategy and Management

While all the Board members possess the skills identified, the specific areas of focus or expertise of individual Board Members as on 31st March, 2020 is given below. However, the absence of any specific area of focus against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of the Director	Specific areas of focus or expertise (Specified in points above)
Shri Devansh Jain	1 to 7
Shri Kailash Lal Tarachandani*	1 to 7
Shri Siddharth Jain**	1 to 7
Shri Shanti Prashad Jain	1, 4, 5, 6 and 7
Shri Chandra Prakash Jain^	1, 2, 4, 5, 6 and 7
Ms. Bindu Saxena	1, 4, 5, 6 and 7
Shri Venkatanarayanan Sankaranarayanan	1, 4, 5, 6 and 7

* Ceased as a Director w.e.f. 19th May, 2020 but continues to hold the position of CEO.

** Resigned from the Directorship w.e.f. 28th July, 2020.

^ Ceased as a Director w.e.f. 21st October, 2019.

(F) INDEPENDENT DIRECTORS**Separate Meeting of Independent Directors**

As stipulated under Section 149 read with Schedule IV of the Companies Act, 2013 pertaining to the Code for Independent Directors, Secretarial Standards -1 issued by the Institute of Company Secretaries of India and Regulation 25(3) of the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 7th February, 2020 with the following agenda:

- to review performance of Non-Independent Directors, the Board as a whole and Chairperson of the Company;
- to assess the quality, quantity and timeliness of flow of information between the Company Management

and the Board that is necessary for the Board to effectively and reasonably perform their duties and

- to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, its business model etc.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, all the Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and they are independent of the management.

During the year under review, Shri Chandra Prakash Jain (DIN: 00011964), Independent Director ceased to be a Director on the Board of the Company with effect from 21st October, 2019 upon successful completion of his term of five years.

3. AUDIT COMMITTEE

(A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

The Role and the Terms of Reference of Audit Committee are in accordance with the requirements of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations.

The brief description of Terms of Reference of Audit Committee is given below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to the Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management;
 - d. Significant adjustments made in the Financial Statements arising out of Audit findings;
 - e. Compliance with listing and other legal requirements relating to Financial Statements;
 - f. Disclosure of any Related Party transactions;
 - g. Modified opinion(s) in the draft Audit Report.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with Related Parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of the Statutory and Internal Auditor, adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with the Internal Auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
19. To approve appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision i.e. 1st April, 2019;
21. Review compliance with the provisions of PIT Regulations at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.
22. To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

(B) COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON, NUMBER OF MEETINGS HELD AND ATTENDANCE

The Audit Committee comprises of Four Directors with Shri Shanti Prashad Jain as Chairman of the Committee. The composition of Audit Committee is in compliance with Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations.

During the Financial Year 2019-20, the Audit Committee met 4 (Four) times on following dates, namely, 18th May, 2019, 9th August, 2019, 8th November, 2019 and 7th February, 2020.

The details of composition of Audit Committee and the Meetings attended by the Directors during the Financial Year 2019-20 are given below:

Name	Position	Number of Meetings held during the year	Number of Meetings attended during the year
Shri Shanti Prashad Jain, Independent Director	Chairman	4	4
Shri Chandra Prakash Jain, Independent Director (Ceased as a Member w.e.f. 21 st October, 2019)	Member	4	2
Ms. Bindu Saxena, Independent Director	Member	4	2
Shri Devansh Jain (Appointed as a Member w.e.f. 19 th May, 2019)	Member	4	3
Shri V. Sankaranarayanan (Appointed as a Member w.e.f. 21 st October, 2019)	Member	4	2

Shri Shanti Prashad Jain, Chairman of the Audit Committee was unable to attend the last Annual General Meeting held on 17th September, 2019 due to pre-occupation with other engagements. He had authorized Shri Kailash Lal Tarachandani, Whole-time Director & CEO of the Company to attend the meeting on his behalf to answer shareholder queries.

4. NOMINATION AND REMUNERATION COMMITTEE

The Terms of Reference of Nomination and Remuneration Committee (NR Committee) are in accordance with the requirements of Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

(A) BRIEF DESCRIPTION OF TERMS OF REFERENCE

The brief description of Terms of Reference of Nomination and Remuneration Committee is given below:

Terms of Reference

- (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 and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMP) and other employees;
- (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 & other employees to work towards the long term growth and success of the Company.

(B) COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON, NUMBER OF MEETINGS HELD AND ATTENDANCE

The composition of NR Committee is in compliance with Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations. During the Financial Year 2019-20, the NR Committee met 2 (Two) times on following dates, namely, 9th August, 2019 and 7th February, 2020.

The details of composition of NR Committee and the Meetings attended by the Directors during the Financial Year 2019-20 are given below:

Name of Director	Position	Number of Meetings held during the year	Number of Meetings attended during the year
Shri Venkatanarayanan Sankaranarayanan, Independent Director	Chairman	2	2
Shri Shanti Prashad Jain, Independent Director	Member	2	2
Shri Chandra Prakash Jain, Independent Director (Ceased as a Member w.e.f. 21 st October, 2019)	Member	2	1
Shri Siddharth Jain, Non-Executive Director (Ceased as a Member w.e.f. 29 th July, 2020)	Member	2	-
Shri Mukesh Manglik, Non-Executive Director (Appointed as a Member w.e.f. 29 th August, 2020)	Member	N.A.	N.A.

Shri Venkatanarayanan Sankaranarayanan, the Chairman of the Nomination and Remuneration Committee was unable to attend last Annual General Meeting held on 17th September, 2019 due to pre-occupation with other engagements. He had authorized Shri Kailash Lal Tarachandani, Whole-time Director & CEO of the Company to attend the meeting on his behalf to answer shareholder queries.

(C) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board and Individual Directors for the Financial Year 2019-20. Further, based on the feedback received by the Company, the Nomination and Remuneration Committee at its Meeting held on 7th February, 2020 noted that the Annual Performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company. The Board of Directors of the Company at its Meeting held on the same day noted that the performance of Board, Committees of the Board and Individual Directors and Chairperson (including CEO, Independent Directors) is evaluated as highly satisfactory by this evaluation process.

5. REMUNERATION OF DIRECTORS

(A) REMUNERATION TO EXECUTIVE DIRECTORS:

The details of the remuneration paid to the Executive Directors of the Company for the Financial Year 2019-20 is as follows:

Remuneration paid during the Financial Year 2019-20					
Name of Director	Relationship with other Directors	Business Relationship with the Company, if any	All elements of Remuneration package i.e. salary, benefits, bonuses, pension, stock options etc.		Service Contracts, Notice Period, Severance Fee
Shri Devansh Jain	None	Whole-time Director	Particulars	₹ in Lakhs	Service Contract: 01.11.2017 to 31.10.2022 Notice Period: 3 months
			Salary & Allowances :	84.00	
			Perquisites :	0.00	
			Contribution to PF :	8.64	
			Commission :	0.00	
			Total :	92.64	
Shri Kailash Lal Tarachandani (Ceased as a Director w.e.f. 19 th May, 2020 but continues as CEO)	None	Whole-time Director & CEO	Particulars	₹ in Lakhs	Service Contract: 19.05.2018 to 18.05.2020 Notice Period: 3 months
			Salary & Allowances :	246.90	
			Perquisites :	0.00	
			Contribution to PF :	0.22	
			Commission :	0.00	
			Total :	247.12*	

* includes remuneration of ₹ 100 Lakhs paid towards special incentive/award.

(B) REMUNERATION TO NON - EXECUTIVE DIRECTORS:

Details of the Sitting Fees paid to the Non - Executive Directors of the Company for the Financial Year 2019 -20 for attending the Board and Committee Meetings is as follows:

Name of the Director	Sitting Fees (₹)
Shri Siddharth Jain	20,000
Shri Shanti Prashad Jain	180,000
Shri Chandra Prakash Jain	80,000
Ms. Bindu Saxena	80,000
Shri Venkatanarayanan Sankaranarayanan	1,20,000
Total	480,000

During the year under review, the Company has not issued any stock options at discount.

Non-Executive Directors with materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors during the Financial Year 2019-20 that may have potential conflict with the interests of the Company at large.

Apart from drawing sitting fees, none of the Independent Directors have any other pecuniary relationship or transactions with the Company which in the judgment of the Board would affect the independence or judgment of Directors.

Criteria for making payment to non-executive Directors is disclosed on the Company's website. The same can be viewed at https://www.inoxwind.com/wp-content/uploads/2014/11/Nomination__Remuneration_Policy_IWL.pdf.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a) Name of Non-Executive Director heading the Committee	Shri Deepak Asher was Chairman of the Committee upto 31 st March, 2019. Consequent to his resignation from the office of Director w.e.f. 1 st April, 2019, the composition of the Committee was changed and Shri Shanti Prashad Jain was appointed as Chairman of the Committee w.e.f. 18 th May, 2019.
(b) Name and designation of Compliance Officer	Shri Deepak Banga, Company Secretary
(c) Number of shareholders complaints received during the Financial Year 2019-20	1
(d) Number of shareholders' complaint not resolved to the satisfaction of shareholders	0
(e) Number of pending complaints	0

Disclosures with respect to demat suspense account/unclaimed suspense account

As on 31st March, 2020, Nil equity shares of the Company had remained unclaimed subsequent to the Initial Public Issue of the Company in 2015.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Nil	Nil
Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year;	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Nil	Nil

7. GENERAL BODY MEETINGS

The particulars of last 3 (Three) Annual General Meetings of the Company and details of Special Resolutions passed, if any, at these Meetings are given hereunder:

Financial Year	Date and Time	Location	Details of Special Resolutions passed
2016-17	26 th September, 2017 at 11:00 A.M.	Hotel Pandit Moolraj Residency, SH-25, Una-Nangal Road, Rakkar Colony, District Una - 174303, H.P.	<ol style="list-style-type: none"> 1. Re-appointment of Shri Devansh Jain as Whole-time Director of the Company and approve payment of remuneration to him. 2. Re-appointment of Shri Rajeev Gupta as Whole-time Director of the Company and ratification of remuneration paid for the Financial Year 2016-17.

Financial Year	Date and Time	Location	Details of Special Resolutions passed
2017-18	12 th July, 2018 at 11:00 A.M.	Hotel Pandit Moolraj Residency, SH-25, Una-Nangal Road, Rakkar Colony, District Una – 174303, H.P.	<ol style="list-style-type: none"> 1. Approve payment of remuneration to Shri Devansh Jain, Whole-time Director of the Company, for the Financial Year 2017-18, as per Schedule V of the Companies Act, 2013. 2. Approve payment of remuneration to Shri Rajeev Gupta, Whole-time Director of the Company, for the Financial Year 2017-18, as per Schedule V of the Companies Act, 2013 and approve his re-appointment as Whole-time Director for the period from 1st April, 2018 to 18th May, 2018. 3. Appointment of Shri Kailash Lal Tarachandani, Chief Executive Officer (CEO) as Whole-time Director & CEO of the Company. 4. Re-appointment of Shri Shanti Prashad Jain as an Independent Director of the Company. 5. Re-appointment of Shri Venkatanarayanan Sankaranarayanan as an Independent Director of the Company.
2018-19	17 th September, 2019 at 12.00 Noon	Hotel Pandit Moolraj Residency, SH-25, Una-Nangal Road, Rakkar Colony, District Una – 174303, H.P.	<ol style="list-style-type: none"> 1. Approve payment of remuneration to Shri Devansh Jain, Whole-time Director of the Company, for the Financial Year 2018-19, as per Schedule V of the Companies Act, 2013. 2. Approve payment of remuneration to Shri Kailash Lal Tarachandani, Whole-time Director & CEO of the Company, for the period from 19th May, 2018 to 31st March, 2019, as per Schedule V of the Companies Act, 2013 and approve his re-appointment as Whole-time Director & CEO for a period of one year with effect from 19th May, 2019. 3. Re-appointment of Ms. Bindu Saxena as an Independent Director of the Company. 4. Approve continuation of term of Shri Shanti Prashad Jain as an Independent Director who is above 75 years.

POSTAL BALLOT

During the year under review, no resolution was passed through Postal Ballot and at present no resolution is proposed to be conducted through Postal Ballot.

8. MEANS OF COMMUNICATION

The Quarterly/Annual Financial Results and also Annual Report of the Company/Subsidiary during/for the Financial Year ended 31st March, 2020 were submitted with the Stock Exchanges immediately after they were approved by the Board and published in well-circulated Hindi (Himachal Dastak) and English dailies (Financial Express and Asian Age) as well, except for the fourth quarter and financial year ended 31st March, 2020 in view of the relaxation granted by SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020. The said results along with official news releases and presentations made to the investors/analysts were submitted to Stock Exchanges and also posted on the Company's website viz. <http://www.inoxwind.com> and website of BSE and NSE. The Company organizes investor earnings calls to discuss its financial results every quarter where investors' queries are answered by the executive management of the Company.

9. GENERAL SHAREHOLDER INFORMATION

9.1	Annual General Meeting	
(i)	Date	23 rd September, 2020
(ii)	Time	3.00 P.M. (IST)
(iii)	Venue	The Company is conducting meeting through Video Conferencing/ Other Audio Video Means pursuant to relevant Circulars issued by the Ministry of Corporate Affairs and SEBI. For more details, please refer to the Notice of this Annual General Meeting.
9.2	Financial Year	1 st April, 2019 to 31 st March, 2020
9.3	Book Closure Date	17 th September, 2020 to 23 rd September, 2020
9.4	Dividend Payment Date	N.A.
9.5	Name and address of each stock exchange at which Equity Shares of the Company are listed and confirmation about payment of listing fees	National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051 and BSE Limited, Phiroze Jeejeebhoy, Dalal Street, Mumbai – 400 001 The Company has paid the Annual Listing fees for the Financial Year 2019-20 to NSE and BSE on which the Equity Shares are listed.
9.6	Stock Code	
(i)	BSE Limited	539083
(ii)	National Stock Exchange of India Limited (symbol)	INOXWIND
(iii)	Demat ISIN Number in NSDL and CDSL	INE066P01011

9.7 Market Price Data: High, Low during each month in the Financial Year 2019-20

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Monthly low price (in ₹)	Monthly high price (in ₹)	Monthly low price (in ₹)	Monthly high price (in ₹)
April, 2019	63.75	71.40	63.60	71.75
May, 2019	55.00	74.80	54.55	75.00
June, 2019	61.65	73.40	62.00	73.30
July, 2019	54.05	72.50	53.70	71.75
August, 2019	31.00	55.85	30.80	56.00
September, 2019	32.00	41.30	32.30	41.00
October, 2019	30.80	38.80	31.10	38.50
November, 2019	31.55	43.35	28.65	43.40
December, 2019	33.05	48.20	32.50	48.30
January, 2020	33.95	49.95	33.80	49.80
February, 2020	33.00	43.00	33.50	42.80
March, 2020	16.00	38.00	16.00	38.00

9.8 Performance in comparison to broad-based indices viz. Nifty and BSE Sensex:

Date	Nifty 500	Company's Share Price on NSE
1 st April, 2019	9703.00	67.10
31 st March, 2020	6996.75	18.40
Change	(27.89)%	(72.57)%

Date	Sensex	Company's Share Price on BSE
1 st April, 2019	38858.88	67.15
31 st March, 2020	29468.49	18.55
Change	(24.16)%	(72.37)%

9.9 Suspension from Trading

The Equity Shares of the Company were not suspended from trading during the Financial Year 2019–20.

9.10 Registrar and Transfer Agents

For lodgment of securities, transfer forms and other documents or any grievances/complaints, investors may contact the Company's Registrar and Share Transfer Agent at the following address:

Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No. NH-2, LSC, C-1 Block, Near Savitri Market, Janak Puri, New Delhi-110058.

9.11 Share Transfer System

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 which was further amended vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories.

9.12 Distribution of Shareholding as on 31st March, 2020

Shareholding (in ₹)	No. of shareholders	% to total	Number of shares	Amount in ₹	% to total
1 to 5,000	44,837	90.8276	4,296,296	42,962,960	1.9360
5,001 to 10,000	2,265	4.5883	1,807,827	18,078,270	0.8146
10,001 to 20,000	1,074	2.1756	1,639,660	16,396,600	0.7389
20,001 to 30,000	355	0.7191	920,739	9,207,390	0.4149
30,001 to 40,000	155	0.3140	558,793	5,587,930	0.2518
40,001 to 50,000	134	0.2714	639,614	6,396,140	0.2882
50,001 to 100,000	236	0.4781	1,783,082	17,830,820	0.8035
100,001 and above	309	0.6259	210,272,215	2,102,722,150	94.7521
Total	49,365	100	221,918,226	2,219,182,260	100

Shareholding Pattern of the Company as on 31st March, 2020 is as under:

S. No.	Category	No. of Shares Held	Percentage of Shareholding (%)
(A)	Shareholding of Promoter and Promoter Group		
[1]	Indian		
	Bodies Corporate	166,438,669	75.00
	Sub Total (A)(1)	166,438,669	75.00
[2]	Foreign		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.00
(b)	Bodies Corporate	0	0.00
	Sub Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	166,438,669	75.00
(B)	Public Shareholding		
[1]	Institutions		
(a)	Mutual Funds/UTI	773	0.00
(b)	Alternate Investments Funds	782,462	0.35
(c)	Foreign Portfolio Investor	4,227,762	1.91
(d)	Financial Institutions/Banks	400,050	0.18
	Sub Total (B)(1)	5,411,047	2.44
[2]	Non-Institutions		
(a)	Individuals	20,750,834	9.35
(b)	NBFCs registered with RBI	470,000	0.21
(c)	Any Other (Specify)		
(i)	Trusts	1,550	0.00
(ii)	Foreign Nationals	430	0.00
(iii)	Hindu Undivided Family	3,032,079	1.37
(iv)	Non Resident Indians (Non Repat)	1,534,995	0.69
(v)	Non Resident Indians (Repat)	604,147	0.27
(vi)	Clearing Member	1,991,125	0.90
(vii)	Bodies Corporate	21,683,350	9.77
	Sub Total (B)(2)	50,068,510	22.56
	Total Public Shareholding(B)=(B)(1)+(B)(2)	55,479,557	25.00
	Total (A)+(B)	221,918,226	100.00

9.13 Dematerialization of shares and liquidity

The Company's Equity Shares are traded compulsorily in dematerialized form. As on 31st March, 2020, 100% of the Equity Shares of the Company was in dematerialized form (Only 1 Equity share of the Company is in Physical mode).

9.14 Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/Warrants/ Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants/Convertible Instruments till date.

9.15 Commodity price risk or foreign exchange risk and hedging activities

The Company has approved "Risk Assessment and Minimisation Procedure" pursuant to which the Company enters into Forward Contracts on foreign currencies depending on its assessment of the market situation to counter the risk of foreign exchange fluctuations. The Company enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk. As the Company does not deal in commodities, therefore, no disclosure is required to be made pursuant to SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

9.16 Plant locations

Una Plant

Plot No. – 1, Khasra Nos. 264 to 267, Industrial Area, Village Basal, District Una-174303, Himachal Pradesh

Rohika Plant

Plot No. 128, Ahmedabad-Rajkot Highway, Village-Rohika, Tahsil- Bavla, Ahmedabad, Gujarat

Barwani Plant

Plot No. 20, AKVN Industrial Area, Relwa Khurd, Tehsil –Rajpur, District Barwani – 451449, Madhya Pradesh

9.17 (i) Address for Investor Correspondence

Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No. NH-2, LSC, C-1 Block, Near Savitri Market, Janak Puri, New Delhi-110058

(ii) Any query on Annual Report

Company Secretary, Inox Wind Limited, Inox Towers, Plot No. 17, Sector-16A, Noida -201301, Uttar Pradesh

9.18 Credit Ratings:

During the financial year under review, CRISIL Limited (CRISIL) vide its letter no. INXWD/225645/BLR/071957376 dated 31st July, 2019 reaffirmed its 'CRISIL A-/CRISIL A2+' ratings on the bank facilities of the Company and revised its rating outlook on the long term bank facilities to Stable.

10. OTHER DISCLOSURES

a) Materially significant Related Party Transactions

There were no transactions with related parties during the Financial Year 2019-20 which were in conflict with the interest of the Company. Suitable disclosure of related party transactions as required by the Indian Accounting Standards (Ind AS 24) has been made in the Note No. 37 to the Standalone Financial Statements and in the Board's Report as required under Section 134 of the Companies Act, 2013.

The Board has also approved a Policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such policy has been put up on the Company's Website. The same can be viewed at <https://www.inoxwind.com/wp-content/uploads/2019/08/IWL%20-%20Related%20Party%20Transaction%20Policy%2031March2019.pdf>.

b) Details of Non-Compliance

During the last three years, there were no instances of non-compliance, penalties or strictures imposed on the Company by Stock Exchange or SEBI or any

statutory authority on any matter related to capital markets.

c) Details of establishment of Vigil Mechanism/ Whistle Blower Policy

The Board of Directors has adopted Whistle Blower Policy to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. Adequate safeguards have been provided in the Policy to prevent victimization of Directors/Employees. No personnel has been denied access to the Audit Committee. A copy of Company's Whistle Blower Policy has been put up on Company's Website. The same can be viewed at <https://www.inoxwind.com/wp-content/uploads/2019/08/IWL-%20Whistleblower%20Policy%2031March2019.pdf>.

d) All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied by the Company.

Status of adoption of Non Mandatory/Discretionary requirements as specified in Part E of Schedule II of Listing Regulations:

- Shareholders rights: The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and uploaded on the website of the Company.
 - Modified opinion(s) in audit report: For the Financial Year ended 31st March, 2020, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.
 - Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.
- e) The Company has formulated a Policy for determining 'material' subsidiaries and such Policy has been disclosed on the Company's website. The same can be viewed at <https://www.inoxwind.com/wp-content/uploads/2019/08/IWL-%20Material%20Subsidiary%20Company%20Policy%2031March2019.pdf>.
- f) The Company has formulated a Policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such policy has been put up on the Company's website. The same can be viewed at <https://www.inoxwind.com/wp-content/uploads/2019/08/IWL%20-%20Related%20Party%20Transaction%20Policy%2031March2019.pdf>.

- g) Disclosure of commodity price risks and commodity hedging activities: Not applicable
- h) The Company has not raised any fund through preferential allotment or qualified institutions placement during the year under review.

i) Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

Certificate from M/s. Dayal & Maur Company Secretaries, New Delhi is annexed to this report as **Annexure A**.

- j) During the Financial Year 2019-20, there were no instances, wherein the recommendations by any of the Committees of the Board were not accepted by the Board of Directors of the Company.
- k) The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, amounts to ₹ 75 Lakhs.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The following is the summary of sexual harassment complaints received and disposed of during the Financial Year 2019-20.

No. of complaints as at the start of the financial year	0
No. of complaints filed during the financial year	0
No. of complaints disposed of during the financial year	0
No. of complaints pending as at the end of the financial year	0

m) Disclosure about Directors being appointed/re-appointed

The brief resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

n) Management Discussion & Analysis Report

Management Discussion and Analysis Report is set out as separate section of the Board's Report which forms part of the Annual Report.

- o) The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 read with Schedule V and Clause (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations, as applicable, with regard to Corporate Governance.

p) CEO/CFO Certification

The Company has obtained a certificate from the Chief Executive Officer and Chief Financial Officer in respect of matters stated in Regulation 17(8) of the Listing Regulations.

11. CODE OF CONDUCT

The Board of Directors of the Company had laid down a Code of Conduct for all the Board Members and Senior Management of the Company which was amended at its meeting held on 21st October, 2014 by including duties of Independent Directors. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. The Code of Conduct is placed on the Company's website. The same can be viewed at https://www.inoxwind.com/wp-content/uploads/2015/02/Code_of_Conduct_Inox%20Wind%20Limited.pdf.

12. DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

Declaration signed by Shri Kailash Lal Tarachandani, Chief Executive Officer of the Company, stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed to this Report as **Annexure - B**.

13. COMPLIANCE CERTIFICATE FROM THE STATUTORY AUDITORS

Compliance certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed with the Board's Report.

For and on behalf of the Board of Directors

Vineet Valentine Davis
Whole-time Director
DIN: 06709239

Devansh Jain
Whole-time Director
DIN: 01819331

ANNEXURE A**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members of
Inox Wind Limited
Plot No. 1, Khasra Nos. 264 to 267
Industrial Area, Village Basal,
Una, Himachal Pradesh – 174303

We have examined the compliance of provisions of the clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by the Company, and the declarations made by the Directors, we certify that none of the directors of Inox Wind Limited ('the Company') CIN L31901HP2009PLC031083 having its Registered Office at Plot No. 1, Khasra No. 264 to 267, Industrial Area, Village Basal, District Una, Himachal Pradesh-174303 have been debarred or disqualified as on March 31, 2020 from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other Statutory Authority.

This Certificate is issued pursuant to clause 10(i) of Part C of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Dayal & Maur**
Company Secretaries

Barinder Singh Maur

Partner

FCS No. 6544

CP No. 7041

UDIN: F006544B000617539

Place: New Delhi
Date : 26th August, 2020

ANNEXURE B**DECLARATION BY THE CEO UNDER CLAUSE D OF SCHEDULE V TO THE LISTING REGULATIONS**

I, Kailash Lal Tarachandani, Chief Executive Officer of Inox Wind Limited declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel for the Financial Year ended 31st March, 2020.

Place: Noida

Date: 28th August, 2020

Kailash Lal Tarachandani

Chief Executive Officer

Business Responsibility Report

PREFACE

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 w.e.f. 26th December, 2019 had mandated that the Annual Report of top 1000 listed entities should include a Business Responsibility Report (BRR) in the format prescribed by SEBI. Since Inox Wind Limited (hereinafter referred to as IWL or the Company) is a part of top 1000 listed companies (based on market capitalisation as on 31st March, 2020) as per the list hosted on the websites of the BSE and NSE, it is required to publish a BRR in its Annual Report for Financial Year 2019-20. This report is in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

The BRR of the Company in the format prescribed at Annexure I of SEBI Circular No. IR/CFD/CMD/10/2015 dated 4th November, 2015 is given hereunder and it describes initiatives taken by the Company on the environmental, social and governance front during the Financial Year 2019-20:

Section A : General Information about the Company

1.	Corporate Identification Number (CIN) of the Company	L31901HP2009PLC031083
2.	Name of the Company	Inox Wind Limited
3.	Registered Address	Plot No. 1, Khasra No. 264 to 267, Industrial Area, Village Basal, District Una - 174303, Himachal Pradesh
4.	Website	www.inoxwind.com
5.	Email id	investors.iwl@inoxwind.com
6.	Financial year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing (2710)
8.	3 key products/services manufactured/provided by the Company	Wind Turbine Generators (WTGs) and its components
9.	Total number of locations where business activity is undertaken by the Company	
(a)	Number of International Locations (Provide details of major 5)	Nil
(b)	Number of National Locations	3 Plants -Madhya Pradesh, Himachal Pradesh and Gujarat Marketing Offices -Vadodara, Mumbai, Chennai, Ahmedabad, Hyderabad and Surat Corporate Office- Noida
10.	Markets served by the Company -Local/State/National/International	National

Section B : Financial Details of the Company

1.	Paid up Capital (₹)	22,192 Lakhs
2.	Total Turnover (₹)	52,768 Lakhs
3.	Total profit after taxes (₹)	(22,711) Lakhs
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	Nil
5.	List of the activities in which expenditure in 4 above has been incurred	N.A.

Section C : Other Details

1.	Does the Company have any Subsidiary Company/Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No

3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No
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Section D : BR information

1. Details of Director(s) responsible for BR

(a)	Details of the Director/Directors responsible for implementation of the BR policy/policies:		
1.	DIN Number	01819331	06388564
2.	Name	Shri Devansh Jain	Shri Kailash Lal Tarachandani
3.	Designation	Whole-time Director	Whole-time Director & CEO*
(b)	Details of the BR head:		
1.	DIN Number (if applicable)	06388564	
2.	Name	Shri Kailash Lal Tarachandani	
3.	Designation	Whole-time Director & CEO*	
4.	Telephone number	0120-6149600	
5.	E-mail id	kailash.tarachandani@inoxwind.com	

*Ceased as a Director with effect from 19th May, 2020 but continues as CEO of the Company. Shri Vineet Valentine Davis (DIN: 06709239) and Shri Mukesh Manglik (DIN: 07001509) appointed as Whole-time Director and Additional Director of the Company with effect from 19th May, 2020 and 29th August, 2020 respectively are now responsible alongwith Shri Devansh Jain for implementation of the BR policy/policies.

2. Principle-wise (as per NVGs) BR Policy/Policies

The nine principles outlined in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs are as under:

Principle No.	Principle
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for...	Y	Y	N	Y	N	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y		Y		Y		Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	N	N		N		N		N	Y (ISO)
4.	Has the policy being approved by the Board?	Y	Y		Y		Y		Y	Y
	Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y		Y		Y		Y	Y

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y		Y		Y		Y	Y
6.	Indicate the link for the policy to be viewed online?	#			#				#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y		Y		Y		Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y		Y		Y		Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	N	N		N		N		N	N
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N		N		N		N	N

- www.inoxwind.com

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)			1		1		2		

- While the Company does not have a specific policy for this principle, it has an HR Operations Manual that provides guidance for governing various aspects related to its employees, including employee grievance redressal.
- As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy.

3. Governance related to BR

a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The business responsibility performance of the Company is assessed annually by the BR Committee constituted by the Board of Directors of the Company at its meeting held on 6 th May, 2016 which was re-constituted on 27 th June, 2020 and again on 28 th August, 2020.
b)	Does the Company publish BRR or Sustainability Report? What is hyperlink for viewing this report? How frequently it is published?	Yes, it does publish BRR as and when it is applicable. BRR of Financial Year 2019-20 is also placed on the website of the Company; www.inoxwind.com

Section E : Principle –wise performance

Certain key principles to assess fulfilment of the requirement by the Company and a description of core elements under the principles as detailed in Annexure II of the referred SEBI Circular are narrated below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

IWL has formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises/offsite locations/Company's sponsored business and social events and/or at any other place where they represent the Company. Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by the Company. The Company also has a Whistle Blower Policy which is a mechanism to reinforce implementation of the Company's CoC which encourages each and every Director and Officer of the Company to take positive actions which not only commensurate with the Company's belief but are also perceived to be so. This Policy provides all employees and Directors of the Company and its subsidiaries a mechanism to report improper acts and provides adequate safeguards against victimization.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes, the policy relating to ethics, bribery and corruption covers the Company and its Subsidiary Companies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the Financial Year 2019-20, the Company had received 1 complaint relating to non-receipt of dividend and same was satisfactorily resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

IWL has a Safety, Health & Environment (SHE) Policy that acts as a guiding document for protection of environment and ensuring safety of its employees. It underlines the need for integrating SHE considerations into business planning and decision making. This policy demonstrate the Company's commitment towards improving its SHE performance in a continual manner.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- a. Blades
- b. Towers

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

There is continuous improvement in the blade production process at the Ahmedabad and Relwa (MP) Plants which has reduced the consumption of raw materials like glass fabric, epoxy resin, hardener and paint. This has reduced the blade weight by 150-200 kilos/blade, taking the annual savings in raw materials to about 50 tonnes per annum as the production was not high due to change in business scenario. Similarly at Ahmedabad/Relwa (MP) Plant, there is an improvement in the production process of steel towers. This has reduced the consumption of raw materials like paint, welding electrode and steel grits although the exact amount is not significant because of low production.

- b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

IWL manufactures Wind Turbine Generators (WTG) that are used by its consumers to generate wind energy and they do not require any major inputs to run WTG apart from wind, which is a natural resource.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof in 50 words or so.

The precise technical specifications of IWL's products limit the options with respect to procurement of raw materials and components. For some components, wherever possible, the Company strives to maximize procurement from local suppliers to reduce the amount of fuel used for transportation.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, wherever possible goods are procured from local suppliers. They are supported in enhancing their capacity through financial assistance and vendor training programmes, covering topics related to new technology and energy efficiency.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The sewage generated at IWL's Plants is treated at in-house Sewage Treatment Plants (STP) and the treated water is used for gardening within the plant premises. The solid waste generated in the production is used as fuel in co-incineration plant of cement industry. This has led to an annual reduction of about 25 tonnes in the quantity of waste being disposed in this low productive years. Use of root rings for barricading and fencing activities has helped to reuse about 50 tonnes of material annually.

Principle 3: Businesses should promote the well-being of all employees

The Company has an HR Operations Manual that provides guidance and policies for governing various aspects related to its employees. It includes guidelines on employee evaluation and performance management, training and development, employee/contractor grievance redressal and employee relationship management. It also includes guidelines on prevention, prohibition and redressal of sexual harassment of women at workplace.

1. Please indicate the total number of employees.

The Company has a total of 1225 employees.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The Company has a total of 362 employees hired on temporary/contractual/casual basis.

3. Please indicate the number of permanent women employees.

The Company has 18 permanent women employees.

4. Please indicate the number of permanent employees with disabilities

The Company has 1 permanent employee with disabilities.

5. Do you have an employee association that is recognized by management.

The Company does not have any employee association that is recognized by the management.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable since the Company does not have a recognized employee association.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at the end of the financial year
1.	Child labour/forced labour/involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Safety and skill up-gradation training is a continuous process at IWL. As a policy all permanent employees are regularly provided basic safety training across the organisation. All employees of the Company are encouraged to upgrade their knowledge and skills. IWL provides on-the-job as well as off-the-job training opportunities to its employees. The on-the-job training is directly related to employees' line of work, whereas the off-the-job training involves training in specific new skills. To identify the most relevant trainings for its employee, the Company has adopted the 'Skill Will' matrix. This has helped to increase employee productivity and build a high performance culture. The following are the details of employee training record for the reporting year:

Permanent Employees	93%
Permanent Women Employees	Nil
Casual/Temporary/Contractual Employees	100%
Employees with Disabilities	N.A.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company has a Corporate Social Responsibility (CSR) Policy, which is guided by the philosophy of IWL and delineates its responsibility as a responsible corporate citizen. The CSR Policy of the Company lays down the guidelines and mechanism to undertake programmes for social welfare and sustainable development of the community at large. The objective of the Policy is to enhance value creation by the Company in the communities in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community. The Company ensures that its business is conducted in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

1. Has the company mapped its internal and external stakeholders? Yes/No

IWL takes into account the wellbeing of all individuals directly or indirectly associated with it, though a formal mapping of the internal and external stakeholders has not been conducted.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

While there has not been any formal identification of the disadvantaged stakeholders, the Company's primary welfare activities are focussed on children, women, elderly, farmers and socially & economically backward groups in the geographies that have been selected.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in 50 words or so.

No

Principle 5: Businesses should respect and promote human rights

The HR Operations Manual of the Company contains detailed guidelines in relation to the process and approach for raising and resolving staff grievances. These might include cases of unfair, unlawful, unjust or discriminatory act or situation. It also contains provisions for protection of the complainant from victimization.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy extends to Contract Labour, Vendors and all other stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaint has been received in the past financial year and none is pending as on 31st March, 2020.

Principle 6: Business should respect, protect, and make efforts to restore the environment

IWL has a Safety, Health & Environment (SHE) Policy that acts as a guiding document for protection of environment and ensuring safety of its employees. It underlines the need for integrating SHE considerations into business planning and decision making. This policy demonstrates the Company's commitment towards improving its SHE performance in a continual manner.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The policy covers the Company as well as the suppliers and contractors associated with it. The Company encourages all its suppliers, contractors and others to have a strong focus on the environment.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company is engaged in the manufacturing of wind turbines to produce Green Energy without creating pollution or global warming. Further efforts are being made to do more towards fighting climate change, IWL has adopted a number of initiatives to increase its energy efficiency in its manufacturing processes, thereby reducing its carbon emissions.

3. Does the company identify and assess potential environmental risks? Y/N

The Company captures environmental risks in accordance with the Aspect-Impact format of ISO-14001. Based on the identified environmental risks, appropriate control and monitoring measures are established to deal with them.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Company currently does not have any project related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company undertook many initiatives on clean technology, energy efficiency and renewable energy. To reduce the electricity consumption in the Plants, the roofs have been designed in such a manner that they allow maximum daylight utilization. There are dust extraction systems in place to control the dust level in the plants. Also, digitalization of records has helped in reducing the paper consumption at Plants as well as at offices.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All emissions and wastes generated by the Company in Financial Year 2019–20 were within the applicable permissible limits.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause/legal notice from CPCB/SPCB is pending as on 31st March, 2020.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy. However, it will continue to assess the evolving business and regulatory environment in future in this regard.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

The Company is a member of Federation of Indian Chamber of Commerce and Industries.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No, the Company has not advocated/lobbied through the above association.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR Policy of IWL aims to enhance value creation in the society and in the community in which it operates. It aims to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Some of the initiatives undertaken by the Company in recent past in pursuit of the policy include:

- Monetary help for better access to health care facilities for women and the elderly people;
- Financial assistance to improve the sanitation facilities; and
- Financial support to conduct low till or any other practice of sustainable agriculture.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The programmes are undertaken through in-house teams and Inox Group CSR Trust.

3. Have you done any impact assessment of your initiative?

The Company follows a systematic five step approach towards releasing funds for a project. The fifth step in this process includes a provision for seeking information regarding the impact of money spent, on the life of the beneficiary.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company, however, did not spend any amount on CSR activities/projects during the Financial Year 2019-20.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Yes. Community participation is encouraged at various stages of our CSR initiatives, including programme planning, implementation, management, assessment and evaluation in various degrees. The Company regularly engages with the local communities in the areas surrounding its Plants, since they are the prime and direct beneficiaries of its welfare activities. Through these interactions it ensures that its CSR initiatives are adopted by the local community and fulfil the needs of the target population.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

IWL has a Quality Policy which aims to achieve the highest standards of quality in all business units' practices and operations. The Policy guides IWL employees to continually improve the performance of the Company while offering safe, cost effective and professional service to the customers. This can be achieved by incorporating customer feedback and improving on a continual basis.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

No customer complaint is pending as on 31st March, 2020.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).

The Company displays all product information on the product label as mandated by the local laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No case was filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and hence no such case is pending as on 31st March, 2020.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

The Company continually interacts with its customers which helps it to understand their level of satisfaction from IWL products. However, as of now, IWL does not conduct any formal customer satisfaction surveys.

Independent Auditor's Report

To
The Members of **Inox Wind Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Inox Wind Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, 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 Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2020, 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone 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 on the Standalone Financial Statement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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

Allowance for credit losses

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.

Refer Note 3.13 , Note 13 and Note 39 to the Standalone Financial Statements

How our audit addressed the key audit matter

Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue include the following, among others:

We tested the effectiveness of controls over the

- (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions
- (2) Completeness and accuracy of information used in the estimation of probability of default and
- (3) computation of the allowance for credit losses.

For a sample of customers:

We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.

We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

The Key audit Matters
Adoption of Ind AS 116 Leases

As described in Note 48 to the Standalone Financial Statement, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms.

Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet.

The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term.

Additionally, the standard mandates detailed disclosures in respect of transition.

Refer Note 48 and Note 3.3 to the Standalone Financial Statements.

Litigation Matters

The Company has certain significant pending legal proceedings with Judicial/Quasi-Judicial for various complex matters with contractor/transporter, customer and other parties, continuing from earlier years.

Further, the company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Note 41 of the standalone financial statements.

Due to complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures on adoption of Ind AS 116 include:

- Assessed and tested new process and controls in respect of the lease accounting standard (IND AS 116)
 - Assessed the Company's evaluation on the identification of lease based on the contractual arrangement and our knowledge of the business.
 - Involved our specialists to evaluate the reasonableness of the discount rates applied in determining the lease liabilities.
 - Upon transition as at 01st April 2019 :
 - Evaluate the method of transition and related adjustments
 - Tested Completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities.
 - On a statistical sample, we performed the following procedures:
 - Assessed the key terms and condition of each lease with the underlying lease contracts; and
 - Evaluate computing of lease liabilities and challenged the key estimates such as discount rates and lease term.
 - Assessed and tested the presentation and disclosure relating to IND AS 116 including disclosure related to transition.
 - Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss.
 - Discussed with the management on the development in these litigations during the year ended March 31, 2020.
 - Rolled out of enquiry letters to the Company's legal counsel and noted the responses received.
 - Assessed the responses received from Company's legal counsel by engaging legal experts.
 - Assessed the objectivity, independence and competence of the Company's legal counsel involved in the process and legal experts engaged by us.
 - Reviewed the disclosures made by the Company in the Standalone Financial Statements in this regard.
-

Emphasis of Matter

We draw attention to Note 43 of the Standalone Financial Statement which describes the management's assessment of the impact of the outbreak of Covid-19 on revenue, trade receivables, investments and other assets. The management believes that no adjustments are required in the financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment and its likely effect on future revenues due to Covid-19, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our report is not modified in respect of above matter.

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional 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. 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

expected to outweigh the public interest benefits of such communication.

Other Matter

Due to the COVID-19 related lockdown, we were unable to observe the Management's year-end physical verification of inventory at respective locations. We have therefore, relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end.

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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

3. 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 Standalone 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, 2020 taken

- on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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. 41 of the standalone financial statement) ;
- ii. The Company had 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. 39 of the standalone financial statement); and
- 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

Place: New Delhi
Date: 27 June 2020

Membership No. 505371
UDIN: 20505371AAAAFR8372

Annexure – A to the Independent Auditor's 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. In respect of immovable properties taken on lease and disclosed as right of use assets in the Standalone Financials Statements, the lease agreements are 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 there is no stipulation of schedule of repayment of principal and repayment of interest accordingly we unable to make specific comment on the regularity of repayment of principal and 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 details 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, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services 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 delay in a few cases, to the extent applicable to it.

In our opinion, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except the followings :

Name of the statue	Name of dues	Amount (in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Foreign Trade (Development & Regulation) Act, 1992	Custom duty saved on imports against expired EPCG license & duty payable against the stock-in-transit (including interest thereon)	2901.79	FY 2009-10 to FY 2012-13	FY 2015-16 to FY 2018-19	—
Income Tax Act, 1961	Tax deducted at source (including interest thereon)	606.38	April, 2019 to September, 2019	7th of next month	—

- (b) On the basis of our examination of the books of accounts and records, the details of 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 are as under:

Name of the statute	Nature of dues	Amount (in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service tax demand	1,401.63	September'2011 to March'2016	Allahabad High Court
Himachal Pradesh Value Added Tax	Penalty for delayed payment of tax	70.04	2013-14	Himachal Pradesh Tax Tribunal, Dharmshala
Himachal Pradesh Value Added Tax	Penalty for delayed payment of tax	19.48	2012-13	Deputy Excise and Taxation Commissioner cum Appellate Authority, Palampur
Income Tax Act, 1961	On account of reduction in the amount of tax incentive claimed by the company	4,014.44	Assessment year 2014-15	CIT (A), Palampur
			Assessment year 2013-14	Income Tax Appellate Tribunal, Chandigarh
Building and other construction workers act	Labour cess on construction of MP Plant	61.11	2015-16 & 2016-17	-

*Figures after adjustment of amount paid under protest

- (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.
- (ix) In our opinion and information and explanation provided to us by the management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Company raised term loans 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 Standalone 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

Place: New Delhi
Date: 27 June 2020

Membership No. 505371
UDIN: 20505371AAAAFR8372

Annexure – B to the Independent Auditor's Report

of even date on the standalone financial statements of inox wind 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 Limited ("the Company") as of March 31, 2020 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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, 2020, 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.

For **Dewan P. N. Chopra & Co.**

Chartered Accountants

Firm Regn. No. 000472N

Sandeep Dahiya

Partner

Membership No. 505371

UDIN: 20505371AAAAFR8372

Place: New Delhi

Date: 27 June 2020

Standalone Balance Sheet

as at 31 March 2020

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	43,202.37	43,579.94
(b) Capital work-in-progress		698.18	726.65
(c) Intangible assets	6	2,399.29	3,019.90
(d) Financial assets			
(i) Investments			
(a) Investments in subsidiary	7	38,437.56	37,362.54
(ii) Loans	9	148.41	149.85
(iii) Other non-current financial assets	10	1.66	136.03
(e) Deferred tax assets (net)	22	20,319.43	8,184.06
(f) Other non-current assets	11	7,613.27	13,334.10
Total non-current assets		1,12,820.17	1,06,493.07
Current assets			
(a) Inventories	12	63,461.66	52,833.78
(b) Financial assets			
(i) Other investments	8	12,028.32	11,881.12
(ii) Trade receivables	13	1,36,465.63	1,57,701.14
(iii) Cash and cash equivalents	14	398.21	461.66
(iv) Bank balances other than (iii) above	15	13,922.81	12,060.74
(v) Loans	9	38,238.30	23,586.15
(vi) Other current financial assets	10	4,594.78	3,394.75
(c) Income tax assets (net)	16	931.60	330.11
(d) Other current assets	11	30,413.61	8,346.97
Total current assets		3,00,454.92	2,70,596.42
Total assets		4,13,275.09	3,77,089.49
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	22,191.82	22,191.82
(b) Other equity	18	1,56,248.72	1,78,890.01
Total equity		1,78,440.54	2,01,081.83
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	47.19	7,888.73
(ii) Other non-current financial liabilities	20	182.67	182.67
(b) Provisions	21	637.65	579.90
(c) Other non-current liabilities	23	1,193.96	1,743.89
Total non-current liabilities		2,061.47	10,395.19
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	51,014.86	58,857.28
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		118.48	163.10
b) total outstanding dues of creditors other than micro enterprises and small enterprises		65,074.86	63,830.90
(iii) Other current financial liabilities	20	17,563.37	12,192.89
(b) Other current liabilities	23	98,757.21	30,325.58
(c) Provisions	21	244.30	242.72
Total current liabilities		2,32,773.08	1,65,612.47
Total equity and liabilities		4,13,275.09	3,77,089.49

The accompanying notes (1 to 55) are an integral part of the standalone financial statements
As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAAFR8372

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
DIN: 01819331

Kailash Lal Tarachandani

Chief Executive Officer

Deepak Banga

Company Secretary

Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Narayan Lodha

Chief Financial Officer

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

Particulars	Notes	(₹ in Lakhs)	
		2019-2020	2018-2019
Revenue			
Revenue from operations	26	52,767.57	1,34,548.47
Other income	27	6,280.43	4,561.54
Total Revenue (I)		59,048.00	1,39,110.01
Expenses			
Cost of materials consumed	28	18,036.59	88,175.86
Purchase of Stock-in-Trade		24,469.68	3,759.57
EPC, O&M and Common infrastructure facility expense	29	3,879.42	4,655.93
Changes in inventories of finished goods and work-in-progress	30	(1,828.64)	1,812.18
Employee benefits expense	31	6,513.83	6,313.94
Finance cost	32	15,226.18	11,233.27
Depreciation and amortisation expense	33	4,066.98	3,813.59
Other expense	34	23,572.63	19,152.17
Total expenses (II)		93,936.67	1,38,916.51
Profit/(Loss) before tax (I-II=III)		(34,888.67)	193.50
Tax expense			
Current tax	40	-	41.71
MAT credit entitlement		-	(41.71)
Deferred tax		(12,177.49)	67.82
Total tax expense (IV)		(12,177.49)	67.82
Profit/(Loss) for the year (III-IV=V)		(22,711.18)	125.68
Other Comprehensive income			
<u>A Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		38.53	93.73
Tax on above		(13.47)	(32.75)
<u>B Items that will be reclassified to profit or loss</u>			
Gains and (loss) on effective portion of hedging instruments in cash flow hedge		81.96	(83.49)
Tax on above		(28.64)	29.17
Total Other Comprehensive income (VI)		78.38	6.66
Total Comprehensive income for the year (V + VI)		(22,632.80)	132.34
Basic and diluted earnings/(loss) per equity share of ₹ 10 each (in ₹)	35	(10.23)	0.06

The accompanying notes (1 to 55) are an integral part of the standalone financial statements
As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
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DIN: 06709239

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Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Standalone Statement of cash flows

for the year ended 31 March 2020

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Cash flows from operating activities		
Profit/(loss) for the year after tax	(22,711.18)	125.68
Adjustments for:		
Tax expense	(12,177.49)	67.82
Finance costs	15,226.18	11,233.27
Interest income	(4,313.72)	(2,926.29)
Gain on investments carried at FVTPL	(2,627.19)	(469.91)
Bad debts, remissions & liquidated damages	-	21.12
Allowance for expected credit losses	16,712.92	593.19
Depreciation and amortisation expenses	4,066.98	3,813.59
Unrealised foreign exchange gain (net)	583.01	(723.43)
Unrealised MTM (gain)/loss on financial assets & derivatives	(467.64)	(37.01)
(Gain)/Loss on sale / disposal of property, plant and equipment	(75.89)	19.80
	(5,784.02)	11,717.83
Movements in working capital:		
(Increase)/Decrease in Trade receivables	4,522.59	(36,983.25)
(Increase)/Decrease in Inventories	(10,627.88)	12,047.80
(Increase)/Decrease in Loans	1.44	77.59
(Increase)/Decrease in Other financial assets	(1,129.63)	(647.16)
(Increase)/Decrease in Other assets	(17,368.48)	(3,994.20)
Increase/(Decrease) in Trade payables	616.33	36,522.36
Increase/(Decrease) in Other financial liabilities	(32.04)	902.11
Increase/(Decrease) in Other liabilities	63,401.59	(371.94)
Increase/(Decrease) in Provisions	179.82	81.26
	33,779.72	19,352.40
Cash generated from operations		
Income taxes paid	(1,215.75)	(847.99)
	32,563.97	18,504.41
Net cash generated from operating activities		
Cash flows from investing activities		
Purchase of property, plant and equipment (including changes in capital WIP, capital creditors/advances)	-	(1,522.94)
Proceeds from disposal of property, plant and equipment	2,543.75	58.68
Purchase of non current investments	-	(1.00)
Purchase of current investments	-	(4,007.00)
Sale/redemption of current investments	4.97	2,004.05
Interest received	4,311.65	3,191.24
Inter corporate deposits given	(63,118.04)	(39,477.65)
Inter corporate deposits received back	49,552.31	33,574.82
Movement in bank deposits	(1,482.45)	(6,733.59)
	(8,187.81)	(12,913.39)
Net cash generated from/(used in) investing activities		
Cash flows from financing activities		
Repayment of borrowings	(5,502.02)	(8,285.18)
Proceeds from/(repayment of) current borrowing (net)	(8,105.72)	11,138.63
Finance cost	(10,831.87)	(10,818.35)
	(24,439.61)	(7,964.90)
Net cash generated from/(used in) financing activities		
Net increase/(decrease) in cash and cash equivalents	(63.45)	(2,373.87)
Cash and cash equivalents at the beginning of the year	461.66	2,835.53
Cash and cash equivalents at the end of the year	398.21	461.66

Standalone Statement of cash flows

for the year ended 31 March 2020

Changes in liabilities arising from financing activities during the year ended 31 March 2020

Particulars	(₹ in Lakhs)		
	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	59,077.97	15,410.06	22,191.82
Cash flows	(8,105.72)	(5,502.02)	-
Interest expense	4,498.23	1,401.22	-
Interest paid	(3,882.64)	(2,928.37)	-
Impact of exchange fluctuation	-	730.95	-
Closing balance	51,587.84	9,111.84	22,191.82

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

Particulars	(₹ in Lakhs)		
	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	48,319.12	23,259.99	22,191.82
Cash flows	11,138.63	(8,285.18)	-
Interest expense	4,942.25	2,142.69	-
Interest paid	(5,322.03)	(1,190.74)	-
Impact of exchange fluctuation	-	(516.70)	-
Closing balance	59,077.97	15,410.06	22,191.82

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 14
3. The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAAFR8372

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
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Chief Executive Officer

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Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Narayan Lodha

Chief Financial Officer

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Statement of changes in equity

for the year ended 31 March 2020

A. Equity share capital

	(₹ in Lakhs)
Balance as at 1 April 2018	22,191.82
Changes in equity share capital during the year	-
Balance as at 31 March 2019	22,191.82
Changes in equity share capital during the year	-
Balance as at 31 March 2020	22,191.82

B. Other equity

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Securities premium reserve	Retained earnings	Cash flow hedge reserve	
Balance as at 1 April 2018	64,586.03	1,14,170.64	1.00	1,78,757.67
Additions during the year:				
Profit/(Loss) for the year	-	125.68	-	125.68
Other comprehensive income for the year, net of income tax (*)	-	60.98	(54.32)	6.66
Total comprehensive income for the year	-	186.66	(54.32)	132.34
Balance as at 31 March 2019	64,586.03	1,14,357.30	(53.32)	1,78,890.01
Additions during the year:				
Profit/(Loss) for the year	-	(22,711.18)	-	(22,711.18)
Impact on account of adoption of Ind As 116 (see Note 48)	-	(8.49)	-	(8.49)
Other comprehensive income for the year, net of income tax (*)	-	25.06	53.32	78.38
Total comprehensive income for the year	-	(22,694.61)	53.32	(22,641.29)
Balance as at 31 March 2020	64,586.03	91,662.69	-	1,56,248.72

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

The accompanying notes (1 to 55) are an integral part of the standalone financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
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DIN: 06709239

Narayan Lodha

Chief Financial Officer

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

1. Company information

Inox wind Limited ("the Company") is a public limited company incorporated in India. The Company is engaged in the business of manufacture and sale of Wind Turbine Generators ("WTGs"). It also provides Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities services for WTGs and wind farm development services. The area of operations of the Company is within India. The Company's parent company is GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) and its ultimate holding company is Inox Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Plot No.1, Khasra No.264-267 Industrial Area, Near Power house Village Basal Dist. Una, Himachal Pradesh, India and the particulars of its other offices and plants are disclosed in the annual report.

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 realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

2.3 Basis of Preparation and Presentation

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

The financial statements have been prepared on accrual and going concern basis.

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

- the asset/liability is expected to be realised/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;

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

- the asset/liability is expected to be realised/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. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

These financial statements were authorized for issue by the Company's Board of Directors on 27 June 2020.

2.4 Particulars of investments in subsidiaries are as under:

Name of the investee	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
Inox Wind Infrastructure Services Limited	India	100%
Waft Energy Private Limited	India	100%

The above investment is carried at cost – refer Note 4.

3. Significant Accounting Policies

3.1 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 3.1 – 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 recognized point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognized point in time when

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

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

3.2 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants.

Government grants in the form of non-monetary asset given at a concessional rate are accounted for at their fair value. The related grant is presented as deferred income and subsequently transferred to profit or loss as other income on a systematic and rational basis. Grants that compensate the company for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.3 Leases

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.

3.3.1 The Company as lessee

The Company lease assets includes classes primarily consist of leases for land and building, The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified assets (ii) the Company has substantially all of the economic benefits from use of the assets through the period of the lease and (iii) the Company has the right to direct the use of the assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, the Company recognizes the lease payments as on operating expenses on a straight-line bases over the term of lease.

The right-of-use assets are initially recognized a cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying assets. Right of use assets is evaluated for recoverability whenever events of changes in circumstance indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual assets basis unless the assets does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined from the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company change its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance sheet and lease payments have been classified as financial cash flows.

3.4 Foreign currency transactions and translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer Note 3.14 below for hedging accounting policies).

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 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. Re-measurement, 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. Re-measurement 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
- re-measurement

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 standalone 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

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

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 Standalone 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 standalone 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 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, 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

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for the year ended 31 March 2020

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

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

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are 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 fixed assets 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. 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). 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

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an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and 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:

- Technical know-how 10 years
- Operating software 3 years
- Other 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 finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.12 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.

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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 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.

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 other financial assets and certain investments

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of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

ii. Financial assets measured at FVTOCI:

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

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

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

This category does not apply to any of the financial assets of the Company other than the derivative instrument for the cash flow hedges.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the 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.

d) Foreign exchange gains and losses

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

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

e) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the 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.

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for the year ended 31 March 2020

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

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

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

f) 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL is a portion of the lifetime ECL which results 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.

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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 Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

ii. Financial Liabilities:-

a) Initial recognition and measurement :

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

b) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is 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) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of

the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

d) Derecognition of financial liabilities:

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

3.14 Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 39.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

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

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company

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documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge relationship so designated as fair value is accounted for in accordance with the accounting principles prescribed for hedge accounting under Ind AS 109, 'Financial Instruments'.

a) Fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss.

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 39 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.

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.

3.15 Earnings Per Share

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

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

4 Critical accounting judgements 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.

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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) and intangible assets (other than goodwill):

The Company has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.8 above. The Company reviews the estimated useful lives of PPE 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 39.

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 and possibility of utilizing available tax credits – see Note 22 and Note 40
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 36
- 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 21 and Note 41
- Impairment of financial assets – see Note 39

Notes to the Standalone Financial Statements

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5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Freehold land	476.70	508.82
Leasehold land	4,370.34	-
Buildings	16,189.92	16,706.88
Plant and equipment	21,772.09	25,938.13
Furniture and fixtures	153.31	181.19
Vehicles	195.57	173.04
Office equipment	44.44	71.88
Total	43,202.37	43,579.94

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

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Freehold land	476.70	508.82
Buildings	16,048.43	16,706.88
Plant and equipment	21,772.09	25,938.13
Furniture and fixtures	153.31	181.19
Vehicles	195.57	173.04
Office equipment	44.44	71.88
Total	38,690.54	43,579.94

5A : Property, plant and equipment

(₹ in Lakhs)

Description of Assets	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost or deemed cost:								
Balance as at 1 April 2018	508.82	-	18,930.91	33,826.56	262.30	382.81	199.57	54,110.97
Additions	-	-	-	1,289.79	2.18	-	26.88	1,318.85
Disposals	-	-	-	-	-	(125.23)	-	(125.23)
Balance as at 1 April 2019	508.82	-	18,930.91	35,116.35	264.48	257.58	226.45	55,304.59
Additions	-	-	-	273.36	0.14	55.06	8.56	337.12
Additions (Impact on account of adoption of Ind As 116) (see Note 48)	-	4,532.78	185.03	-	-	-	-	4,717.81
Disposals	(32.12)	-	-	(2,557.17)	-	-	-	(2,589.29)
Balance as at 31 March 2020	476.70	4,532.78	19,115.94	32,832.54	264.62	312.64	235.01	57,770.23
Accumulated Depreciation:								
Balance as at 31 March 2018	-	-	1,567.34	6,736.37	55.07	93.55	99.44	8,551.77
Depreciation for the year	-	-	656.69	2,441.85	28.22	37.74	55.13	3,219.63
Eliminated on disposal of assets	-	-	-	-	-	(46.75)	-	(46.75)
Balance as at 1 April 2019	-	-	2,224.03	9,178.22	83.29	84.54	154.57	11,724.65
Depreciation for the year	-	-	658.45	2,485.38	28.02	32.53	36.00	3,240.38
Depreciation for the year (Impact on account of adoption of Ind As 116) (see Note 48)	-	162.45	43.54	-	-	-	-	205.98
Eliminated on disposal of assets	-	-	-	(603.15)	-	-	-	(603.15)
Balance as at 31 March 2020	-	162.45	2,926.02	11,060.45	111.31	117.07	190.57	14,567.87

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

5A : Property, plant and equipment (Contd..)

								(₹ in Lakhs)
Net carrying amount	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
As at 31 March 2019	508.82	-	16,706.88	25,938.13	181.19	173.04	71.88	43,579.94
As at 31 March 2020	476.70	4,370.34	16,189.92	21,772.09	153.31	195.57	44.44	43,202.37

6 : Intangible assets

			(₹ in Lakhs)
Particulars	As at 31 March 2020	As at 31 March 2019	
Carrying amounts of:			
Technical know-how	2,362.20	3,002.31	
Software	37.09	17.59	
Total	2,399.29	3,019.90	

Details of Intangible Assets

				(₹ in Lakhs)
Particulars	Technical know-how	Software	Total	
Balance as at 31 March 2018	4,248.62	146.81	4,395.43	
Additions	658.22	-	658.22	
Balance as at 1 April 2019	4,906.84	146.81	5,053.65	
Adjustment*	(43.54)	43.54	-	
Balance as at 31 March 2020	4,863.30	190.35	5,053.65	
Accumulated amortisation				
Balance as at 31 March 2018	1,335.15	104.64	1,439.79	
Amortisation expense for the year	569.38	24.58	593.96	
Balance as at 1 April 2019	1,904.53	129.22	2,033.75	
Amortisation expense for the year	596.57	24.04	620.61	
Balance as at 31 March 2020	2,501.10	153.26	2,654.36	

				(₹ in Lakhs)
Net carrying amount	Technical know-how	Software	Total	
As at 31 March 2019	3,002.31	17.59	3,019.90	
As at 31 March 2020	2,362.20	37.09	2,399.29	

*Note- The above figure has been reclassified from Technical know-how to Software.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

7 : Investments in Subsidiary

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
a) Financial assets carried at cost		
Investments in equity instruments (unquoted, fully paid)		
Inox Wind Infrastructure Services Limited- [116,212,979 (as at 31 March 2019: 57,389,450) equity shares of ₹ 10 each fully paid up]*	20,005.00	10,005.00
Waft Energy Pvt.Ltd.[10,000 (as at 31 March 2019: 10,000) equity shares of ₹ 10 each, fully paid up]	1.00	1.00
b) Financial assets carried at FVTPL		
Investments in debentures (unquoted, fully paid up)		
Inox Wind Infrastructure Services Limited- [3,000,000 (as at 31 March 2019: 4,000,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each]*	28,301.38	37,217.74
	48,307.38	47,223.74
Less: Current portion of non-current investment	9,869.82	9,861.20
Total	38,437.56	37,362.54

* During the current year, Inox Wind Infrastructure Services Limited has converted its IInd tranche of debentures amounting to ₹ 10,000.00 Lakh into equity at a share price of ₹ 17.00/- (Previous Year: Ist tranche of debentures amounting to ₹ 10,000.00 Lakh into equity at a share price of ₹ 17.44/-)

8 : Other Investments

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Financial assets carried at FVTPL		
i) Investments in debentures (unquoted, fully paid up)		
(Current portion of non-current investment)		
-In subsidiary Company – 1,000,000 (as at 31 March 2019: 1,000,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each in Inox Wind Infrastructure Services Limited	9,869.82	9,861.20
ii) Investments in mutual funds (unquoted, fully paid up)		
(face value ₹ 10 each)		
FEGP-IDBI Focused 30 Equity Fund – Regular Plan – Growth – Nil (as at 31 March 2019: 50,000)	–	4.95
L079B SBI Saving Fund -Regular plan-Growth-6,963,536.73 units (as at 31 March 2019: 6,963,536.73)	2,158.49	2,014.97
Total	12,028.32	11,881.12
Total	12,028.32	11,881.12
Total Investments (non-current and current)	50,465.88	49,243.66
Aggregate book value of quoted investments	–	–
Aggregate market value of quoted investments	–	–
Aggregate carrying value of unquoted investments	50,465.88	49,243.66
Aggregate amount of impairment in value of investments	–	–

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

8 : Other Investments (Contd..)

The Company has provided an undertaking to a lender of its subsidiary, Inox Wind Infrastructure Services Limited, that it will continue to hold 100% shareholding in the subsidiary till the subsistence of the loan.

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Category-wise investments – as per Ind AS 109 classification:		
Carried at fair value through profit or Loss	30,460.88	39,238.66
Carried at cost	20,005.00	10,005.00
Total	50,465.88	49,243.66

9 : Loans (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Security deposits	148.41	149.85
Total	148.41	149.85
Current		
Loans to related parties (see Note 37)		
Inter-corporate deposits to related parties	38,238.30	23,586.15
Total	38,238.30	23,586.15

10 : Other financial assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Non-current bank balances (from Note 15)	1.66	136.03
Total	1.66	136.03
Current		
Other interest accrued	76.05	5.65
Other receivables		
– From related parties	4,203.98	3,074.35
– From others	314.75	314.75
Total	4,594.78	3,394.75

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

11 : Other assets

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Capital advances	3,292.91	4,315.58
Security deposits with government authorities	101.77	59.44
Prepayment- Leashold land	-	4,309.77
Prepayments- others	4,218.59	4,649.31
Total	7,613.27	13,334.10
Current		
Advance to suppliers	23,322.70	4,319.23
Advance for expenses	89.12	264.80
Balances with government authorities		
-Balances in Service tax , VAT & GST Accounts	5,961.68	2,561.11
Prepayments – leasehold land	-	162.47
Prepayments- others	1,040.11	1,039.36
Total	30,413.61	8,346.97

12 : Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials (including goods in transit of ₹ 13,286.92 lakhs , as at 31 March 2019 ₹ 18,027.61 lakhs)	55,831.19	47,022.68
Work-in-progress	3,921.59	2,752.52
Finished goods	3,471.57	2,812.00
Stores and spares	237.31	246.58
Total	63,461.66	52,833.78

Note:

The above inventories are hypothecated against working capital facilities from banks, see Note 51 for security details.

13 : Trade receivables (Unsecured)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Considered good	1,54,655.43	1,59,178.02
Less: Allowances for expected credit losses	18,189.80	1,476.88
Total	1,36,465.63	1,57,701.14

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

14 : Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
-in current accounts	394.60	449.60
-in cash credit accounts	2.24	7.76
Cash on hand	1.37	4.30
Total	398.21	461.66

15 : Other bank balances

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Bank deposits with original maturity period of more than 3 months but less than 12 months [#]	12,227.51	11,622.81
Bank deposits with original maturity for less than 3 months	734.79	295.67
Bank deposits with original maturity for more than 12 months	962.17	278.29
	13,924.47	12,196.77
Less: Amount disclosed under Note 10 - 'Other financial assets-Non current'	1.66	136.03
Total	13,922.81	12,060.74

Notes:

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

a) Bank deposit with original maturity for more than 3 months but less than 12 months	12,227.51	11,622.81
b) Bank deposit with original maturity for more than 12 months	962.17	278.29
c) Bank deposit with original maturity for less than 3 months	734.79	295.67

16 : Income tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Income tax assets (net of provision)	931.60	330.11
Total	931.60	330.11

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

17 : Equity share capital

(₹ in Lakhs)

Particulars	As at	
	31 March 2020	31 March 2019
Authorised capital		
500,000,000 (as at 31 March 2019: 500,000,000) equity shares of ₹ 10 each	50,000.00	50,000.00
Issued, subscribed and paid up		
221,918,226 (as at 31 March 2019: 221,918,226) equity shares of ₹ 10 each fully paid up	22,191.82	22,191.82
	22,191.82	22,191.82

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

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	22,19,18,226	22,191.82	22,19,18,226	22,191.82
Shares outstanding at the end of the year	22,19,18,226	22,191.82	22,19,18,226	22,191.82

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

The Company has only one class of equity shares having par value of ₹ 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 2020		As at 31 March 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	12,64,38,669	12,643.87	12,64,38,669	12,643.87

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

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	12,64,38,669	56.975%	12,64,38,669	56.975%
Siddho Mal Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Siddhapavan Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Devansh Trademart LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Inox Chemicals LLP	1,00,00,000	4.506%	1,00,00,000	4.506%

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

18 : Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium	64,586.03	64,586.03
Cash flow hedge reserve	-	(53.32)
Retained earnings	91,662.69	1,14,357.30
Total	1,56,248.72	1,78,890.01

18 (i) Securities premium

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	64,586.03	64,586.03
Balance at the end of the year	64,586.03	64,586.03

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

18 (ii) Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	(53.32)	1.00
Other comprehensive income for the year, net of income tax	53.32	(54.32)
Balance at the end of the year	-	(53.32)

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non-financial hedged item, or when it becomes ineffective.

18 (iii) Retained earnings:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of year	1,14,357.30	1,14,170.64
Impact on account of adoption of Ind As 116 (see Note 48)	(8.49)	-
Profit / (Loss) for the year	(22,711.18)	125.68
Other comprehensive income for the year, net of income tax	25.06	60.98
Balance at the end of the year	91,662.69	1,14,357.30

The amount that can be distributed by the Company as dividends to its equity shareholders is determined 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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

19 : Non Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured loans		
Foreign currency term loans		
From Banks	-	3,193.24
Rupee term loans		
From Banks	9,000.36	12,145.12
From Other parties	111.48	71.70
Total	9,111.84	15,410.06
Less: Amount Disclosed under Note 20 Other financial liabilities		
a) Current maturities	8,974.95	7,366.38
b) Interest accrued	89.70	154.95
Total	9,064.65	7,521.33
Total	47.19	7,888.73

For terms of repayment and securities etc. see Note 51

20: Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-Current		
Security deposits	182.67	182.67
Total	182.67	182.67
Current		
Current maturities of non-current borrowings (see Note 19)	8,974.95	7,366.38
Interest accrued	4,155.70	375.64
Creditors for capital expenditure	1,663.29	1,657.89
Derivative financial liabilities	-	610.75
Employees dues payables	2,390.75	1,946.61
Expenses payables	378.68	235.62
Total	17,563.37	12,192.89

21 : Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Provision for employee benefits (see Note 36)		
Gratuity	448.96	374.54
Compensated absences	188.69	205.36
Total	637.65	579.90
Current		
Provision for employee benefits (see Note 36)		
Gratuity	26.39	20.31
Compensated absences	155.29	159.79
Other provisions – see Note 41		
Disputed service tax liabilities	32.19	32.19
Disputed sales tax liabilities (net of payments)	30.43	30.43
Total	244.30	242.72

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

21 : Provisions (Contd..)

Particulars	Service tax	Sales tax
Balance as at 1 April 2016	-	30.43
Addition during the year	32.19	-
Balance as at 31 March 2017	32.19	30.43
Balance as at 31 March 2018	32.19	30.43
Balance as at 31 March 2019	32.19	30.43
Balance as at 31 March 2020	32.19	30.43

22 : Deferred tax balances

Year ended 31 March 2020

Deferred tax assets/(liabilities) in relation to:

Particulars	(₹ in Lakhs)				
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(7,408.44)	356.40	-	-	(7,052.04)
Government grant-Deferred income	797.57	(125.30)	-	-	672.27
Allowance for expected credit losses	516.08	5,840.20	-	-	6,356.28
Defined benefit obligations	265.58	34.20	(13.47)	-	286.31
Effects of measuring investments at fair value	1,255.15	(418.30)	-	-	836.85
Unabsorbed business loss	4,444.38	6,316.90	-	-	10,761.28
Other deferred tax assets	925.46	91.80	-	-	1,017.26
Other deferred tax liabilities	(36.84)	65.50	(28.64)	-	0.02
Lease Liability	-	16.09	-	-	16.09
	758.94	12,177.49	(42.11)	-	12,894.31
MAT credit entitlement	7,425.12	-	-	-	7,425.12
Total	8,184.06	12,177.49	(42.11)	-	20,319.43

Year ended 31 March 2019

Deferred tax assets/(liabilities) in relation to:

Particulars	(₹ in Lakhs)				
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(7,564.54)	156.10	-	-	(7,408.44)
Government grant-Deferred income	862.10	(64.53)	-	-	797.57
Allowance for expected credit losses	308.80	207.28	-	-	516.08
Defined benefit obligations	240.76	57.57	(32.75)	-	265.58
Effects of measuring investments at fair value	778.80	476.35	-	-	1,255.15
Unabsorbed business loss	5,480.77	(1,036.39)	-	-	4,444.38
Other deferred tax assets	723.65	201.81	-	-	925.46
Other deferred tax liabilities	-	(66.01)	29.17	-	(36.84)
	830.34	(67.82)	(3.58)	-	758.94
MAT credit entitlement	7,383.41	41.71	-	-	7,425.12
Total	8,213.75	(26.11)	(3.58)	-	8,184.06

The company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Company has order book with the customers. Revenue in respect of such order book will get recognised in future years as per the accounting policy of the Company. Based on the order book, the Company has reasonable certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realize such assets in the near future. Accordingly, the Company has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

23 : Other liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Deferred income arising from government grants	933.59	1,292.05
Deferred liability for lease (Impact on account of adoption of Ind As 116) (see Note 48)	168.53	-
Income received in advance	91.84	451.84
Total	1,193.96	1,743.89
Current		
Advances received from customers	95,488.09	27,998.91
Statutory dues and taxes payable	2,871.66	1,969.18
Deferred income arising from government grants	357.49	357.49
Deferred liability for lease (Impact on account of adoption of Ind As 116) (see Note 48)	39.97	-
Total	98,757.21	30,325.58

24 : Current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
From banks		
Foreign currency loans		
From Banks		
Foreign currency short term loan		
- Supplier credit	4,891.58	17,176.99
Rupee loans		
- Working capital demand loans	16,959.63	5,915.33
- Cash credit	16,328.41	25,656.15
- Others	1,033.45	829.50
Unsecured		
From related parties		
Inter-corporate deposits from holding company	12,374.77	9,500.00
Unsecured Loan from other parties	-	-
	51,587.84	59,077.97
Less: Amount Disclosed under Note 20 Other financial liabilities:		
Interest accrued	572.98	220.69
Total	51,014.86	58,857.28

For terms of repayment and securities etc. see Note 51 (a)

25 : Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	118.48	163.10
- total outstanding dues of creditors other than micro enterprises and small enterprises	65,074.86	63,830.90
Total	65,193.34	63,994.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

25 : Trade Payables (Contd..)

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

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Principal amount due to suppliers under MSMED Act at the year end	118.48	163.10
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	30.73	33.89
Payment made to suppliers (other than interest) beyond the appointed date during the year	109.35	475.80
Interest paid to suppliers under section 16 of MSMED Act during the year	Nil	Nil
Interest due and payable to suppliers under MSMED Act for payments already made.	1.59	5.85
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	187.86	155.54

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.

26 : Revenue from Operations

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Sale of products	35,542.80	1,25,820.63
Sale of services	3,879.41	4,487.93
Other operating revenue	13,345.36	4,239.91
Total	52,767.57	1,34,548.47

27 : Other Income

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Interest Income		
Interest income calculated using the effective interest method:		
On fixed deposits with banks	1,022.12	911.97
On Inter-corporate deposits	3,215.11	2,007.98
Other interest income		
On Income tax refunds	70.40	-
Other interest	6.09	6.34
	4,313.72	2,926.29
Other gains and losses		
Gain on investments carried at FVTPL	2,627.19	469.91
Net gain/(losses) on foreign currency transactions and translation	(1,096.91)	335.97
Net gains/(losses) on derivatives	(281.68)	349.40
Gain on sale / disposal of property, plant and equipment	75.89	-
	1,324.49	1,155.28
Other non operating income		
Government grants – deferred income	358.46	363.81
Insurance claims	253.82	116.16
Other Income	29.94	-
	642.22	479.97
Total	6,280.43	4,561.54
Note: Realised gain/(loss) during the year in respect of mutual funds and debentures	(0.03)	4.06

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

28 : Cost of materials consumed

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Raw materials consumed	18,036.59	88,175.86
Total	18,036.59	88,175.86

29 : EPC, O&M and Common infrastructure facility expenses

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Erection, Procurement, Commissioning cost	1,366.36	3,505.23
Operation & Maintenance Services	2,260.23	903.49
Common infrastructure facility services	252.83	247.21
Total	3,879.42	4,655.93

30 : Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Opening Stock		
- Wind turbine generators and components		
Finished goods	2,812.00	2,256.39
Work-in-progress	2,752.52	5,120.31
	5,564.52	7,376.70
Less : Closing Stock		
- Wind turbine generators and components		
Finished goods	3,471.57	2,812.00
Work-in-progress	3,921.59	2,752.52
	7,393.16	5,564.52
(Increase) / decrease in stock	(1,828.64)	1,812.18

31 : Employee benefits expense

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Salaries and wages	5,983.42	5,850.56
Contribution to provident and other funds	276.52	203.65
Gratuity	167.56	151.37
Staff Welfare Expenses	86.33	108.36
Total	6,513.83	6,313.94

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

32 : Finance Costs

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Interest on financial liabilities carried at amortised cost		
Interest on borrowings	5,899.45	7,084.94
Other interest cost		
Interest on delayed payment of taxes	614.26	322.45
Other interest	5,059.12	527.11
Other borrowing costs	2,839.00	2,984.50
Net foreign exchange loss on borrowings (considered as finance cost)	814.35	314.27
Total	15,226.18	11,233.27

33 : Depreciation and amortisation expense

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Depreciation of property, plant and equipment	3,446.37	3,219.63
Amortisation of intangible assets	620.61	593.96
Total	4,066.98	3,813.59

34 : Other expense

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Stores and spares consumed	33.36	50.73
Power and fuel	405.32	422.49
Rates and taxes	42.95	15.56
Sales tax, VAT, Service tax, GST etc.	-	97.19
Jobwork & labour charges	1,693.18	9,534.43
Testing charges	81.89	210.72
Crane and equipment hire charges	183.08	195.11
Royalty	127.96	1,105.27
Insurance	244.84	276.55
Repairs and maintenance – plant and equipment	27.75	13.81
Repairs and maintenance – buildings	22.53	39.50
Repairs & maintenance – others	45.75	71.51
Rent	36.52	110.59
Travelling & conveyance	720.71	934.46
Bad debts, remissions and liquidated damages	-	21.12
Legal & professional fees & expenses	692.75	526.94
Freight outward	1,010.28	3,349.03
Directors' sitting fees	4.80	7.80
Corporate Social Responsibility (CSR) expenditure (see Note 52)	-	127.25
Allowance for expected credit losses	16,712.92	593.18
Loss on sale / disposal of property, plant and equipment	-	19.80
Demurrage and detention charges	488.55	652.30
Business Promotion & Advertisement	68.21	105.99
Miscellaneous expenses	929.28	670.84
Total	23,572.63	19,152.17

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

35 : Earnings per share

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Basic and Diluted earnings per share		
Profit/(loss) for the year (₹ in Lakhs)	(22,711.18)	125.68
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	22,19,18,226	22,19,18,226
Nominal value of each share (in ₹)	10.00	10.00
Basic and Diluted earnings/(loss) per share (in ₹)	(10.23)	0.06

36 : 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 ₹ 272.17 Lakhs (previous year: ₹ 197.16 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 2020 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 :

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	394.85	375.40
Interest cost	29.27	26.79
Current service cost	138.29	124.58
Benefits paid	(48.53)	(38.19)
Actuarial (gain) / loss on obligations	(38.53)	(93.73)
Present value of obligation as at the year end	475.35	394.85

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

36 : Employee benefits: (Contd..)

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

(₹ in Lakhs)

Gratuity	As at 31 March 2020	As at 31 March 2019
Current service cost	138.29	124.57
Interest cost	29.27	26.79
Amount recognised in profit or loss	167.56	151.37
Actuarial (gain)/loss	(38.53)	(93.73)
a) arising from changes in financial assumptions	46.43	(4.13)
b) arising from experience adjustments	(84.97)	(89.60)
Amount recognised in other comprehensive income	(38.53)	(93.73)
Total	129.03	57.64

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

(₹ in Lakhs)

Particulars	31-March-2020	31-March-2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	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.
- c) Investment risk-since the scheme is unfunded the Company is not exposed to investment risk.

Sensitivity Analysis

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

(₹ in Lakhs)

Particulars	Gratuity	
	2019-20	2018-2019
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(50.63)	(41.69)
If discount rate is decreased by 1%	60.80	50.01
If salary escalation rate is increased by 1%	58.01	48.08
If salary escalation rate is decreased by 1%	(49.33)	(40.87)

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

36 : Employee benefits: (Contd..)

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.

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

(₹ in Lakhs)

Particulars	Gratuity	
	2019-20	2018-2019
Expected outflow in 1st Year	26.39	20.31
Expected outflow in 2nd Year	19.54	17.02
Expected outflow in 3rd Year	21.14	20.22
Expected outflow in 4th Year	31.92	21.57
Expected outflow in 5th Year	26.53	38.25
Expected outflow in 6th to 10th Year	194.10	149.76

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years.

C. Other short term and 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 2020 based on actuarial valuation carried out by using Projected accrued benefit method results decrease in liability by ₹ 21.17 lakhs (previous year : increase in liability by ₹ 51.57 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:

(₹ in Lakhs)

Particulars	As at	
	31 March 2020	31 March 2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2006-08) Ultimate Mortality Table

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures:

(i) Where control exists :

GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) – holding company

Inox Leasing and Finance Limited – ultimate holding company

Inox Wind Infrastructure Services Limited (IWISL) – subsidiary company

Waft Energy Private Limited-Subsidiary Company (incorporated 10 April 2018)

Subsidiaries of IWISL –

1. Marut Shakti Energy India Limited	13. Tempest Wind Energy Private Limited (incorporated 17 January 2018)
2. Satviki Energy Private Limited	14. Aliento Wind Energy Private Limited (incorporated 17 January 2018)
3. Sarayu Wind Power (Tallimadugula) Private Limited	15. Vuelta Wind Energy Private Limited (incorporated 17 January 2018)
4. Vinirrrmaa Energy Generation Private Limited	16. Flurry Wind Energy Private Limited (incorporated 18 January 2018)
5. Sarayu Wind Power (Kondapuram) Private Limited	17. Flutter Wind Energy Private Limited (incorporated 18 January 2018)
6. RBRK Investments Limited	18. Sri Pavan Energy Pvt Ltd (incorporated on 09 April 2018)
7. Vasuprada Renewables Private Limited (incorporated 27 April 2017)	19. Khatiyu Wind Energy Private Limited (w.e.f. 15 December 2018)*
8. Ripudaman Urja Private Limited (incorporated 28 April 2017)	20. Ravapar Wind Energy Private Limited (w.e.f. 15 December 2018)*
9. Suswind Power Private Limited (incorporated 27 April 2017)	21. Nani Virani Wind Energy Private Limited (w.e.f 15 December 2018)*
10. Vigodi Wind Energy Private Limited (incorporated 20 November 2017)	22. Wind One Renergy Private Limited (upto 29 November 2018)**
11. Vibhav Energy Private Limited (incorporated 10 July 2017)	23. Wind Three Renergy Private Limited (upto 29 November 2018)**
12. Haroda Wind Energy Private Limited(incorporated 16 November 2017)	24. Resco Global Wind Services Private Limited (incorporated 21 Feb 2020)

Associates of IWISL –

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

(ii) Other related parties with whom there are transactions during the year

Key Management Personnel (KMP)

Mr. Devansh Jain – Whole-time director	Mr. V.Sankaranarayanan – Non Executive Director
Mr. Rajeev Gupta – Whole-time director (upto 18 May 2018)	Mr. Chandra Prakash Jain – Non Executive Director (upto 20 October 2019)
Mr. Kailash Lal Tarachandani- Whole-time director & Chief Executive Officer (as a Whole-time director upto 18 May 2020)	Mr. Deepak Asher – Non Executive Director (upto 31 March 2019)
Mr. Vineet Valentine Davis – Whole-time director (w.e.f 19 May 2020)	Mr. Shanti Prashad Jain – Non Executive Director
Ms. Bindu Saxena – Non Executive Director	Mr. Siddharth Jain – Non Executive Director

Fellow Subsidiaries

Gujarat Fluorochemicals Limited (GFCL) (Earlier known as Inox Fluorochemicals Limited)

Inox Renewables Limited (IRL) – Subsidiary of GFL Limited

Inox Renewables (Jaisalmer) Limited (IRJL) – Subsidiary of IRL#

Inox Leisure Limited (ILL) – Subsidiary of GFL

Inox Wind Energy Limited (incorporated 6 March 2020)

*IWISL 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 IWISL has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the IWISL has accounted for investment in such companies as investment in 'subsidiary' from the date of gaining control.

**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.

#IRJL amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 3 April 2019. The Appointed Date of the Scheme is 1 April 2018.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

The following table summarizes related-party transactions and balances included in the standalone financial statements:

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Transactions during the year								
Sales								
Gujarat Fluorochemicals Limited	-	-	284.68	-	-	-	284.68	-
GFL Limited	-	324.45	-	-	-	-	-	324.45
Inox Wind Infrastructure Services Limited	12,974.44	4,457.67	-	-	-	-	12,974.44	4,457.67
Inox Renewables Limited	-	-	580.95	17,422.86	-	-	580.95	17,422.86
Sri Pavan Energy Private Limited	-	2,522.86	-	-	-	-	-	2,522.86
Wind Two Renergy Private Limited	-	-	-	-	304.76	24,361.90	304.76	24,361.90
Wind Four Renergy Private Limited	-	-	-	-	11,928.57	6,190.48	11,928.57	6,190.48
Wind Five Renergy Private Limited	-	-	-	-	12,123.81	12,542.86	12,123.81	12,542.86
Total	12,974.44	7,304.98	865.63	17,422.86	24,357.14	43,095.24	38,197.21	67,823.08
Sale of Assets								
Gujarat Fluorochemicals Limited	-	-	2,062.02	-	-	-	2,062.02	-
Purchase of goods and services								
Inox Wind Infrastructure Services Limited	3,059.62	4,505.53	-	-	-	-	3,059.62	4,505.53
Inox Renewables Limited	-	-	11,495.24	-	-	-	11,495.24	-
Total	3,059.62	4,505.53	11,495.24	-	-	-	14,554.86	4,505.53
Sales Return								
Inox Renewables Limited	-	-	4,775.24	-	-	-	4,775.24	-
	-	-	4,775.24	-	-	-	4,775.24	-
Interest received								
Inox Wind Infrastructure Services Limited	-	-	-	-	-	-	-	-
-On Inter corporate deposit	3,114.74	2,007.76	-	-	-	-	3,114.74	2,007.76
-On Debentures	1,430.60	1,829.04	-	-	-	-	1,430.60	1,829.04
Waft Energy Private Limited-On Inter corporate deposit	0.70	0.22	-	-	-	-	0.70	0.22
Wind Four Renergy Private Limited	-	-	-	-	99.67	-	99.67	-
Total	4,546.05	3,837.02	-	-	99.67	-	4,645.71	3,837.02
Conversion of Debenture into equity Shares								
Inox Wind Infrastructure Services Limited	10,000.00	10,000.00	-	-	-	-	10,000.00	10,000.00
Total	10,000.00	10,000.00	-	-	-	-	10,000.00	10,000.00

(₹ in Lakhs)

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Transactions during the year								
Interest paid								
GFL Limited-On Inter corporate deposit	884.17	426.71	-	-	-	-	884.17	426.71
Inox Leasing and Finance Limited-On Inter corporate deposit	29.71	-	-	-	-	-	29.71	-
Gujarat Fluorochemicals Limited - On Advance	-	-	3,843.27	-	-	-	3,843.27	-
Total	913.88	426.71	3,843.27	-	-	-	4,757.16	426.71
Reimbursement of expenses paid/ payments made on behalf of the Company								
Gujarat Fluorochemicals Limited	-	-	159.53	-	-	-	159.53	-
GFL Limited	-	135.00	-	-	-	-	-	135.00
Inox Wind Infrastructure Services Limited	189.26	12.47	-	-	-	-	189.26	12.47
Inox Renewables Limited	-	-	0.02	-	-	-	0.02	-
Total	189.26	147.47	159.55	-	-	-	348.81	147.47

(₹ in Lakhs)

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

The following table summarizes related-party transactions and balances included in the standalone financial statements:

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Transactions during the year								
Reimbursement of expenses received / payments made on behalf by the Company								
Inox Wind Infrastructure Services Limited	341.38	103.36	-	-	-	-	341.38	103.36
Waft Energy Private Limited	-	0.20	-	-	-	-	-	0.20
Inox Renewables Limited	-	-	38.40	5.43	-	-	38.40	5.43
Total	341.38	103.56	38.40	5.43			379.78	108.99
Inter corporate deposits given								
Inox Wind Infrastructure Services Limited	55,934.84	39,473.08	-	-	-	-	55,934.84	39,473.08
Waft Energy Private Limited	5.47	4.58	-	-	-	-	5.47	4.58
Wind Four Renergy Private Limited	-	-	-	-	7,177.73	-	7,177.73	-
Total	55,940.31	39,477.66	-	-	7,177.73	-	63,118.04	39,477.66
Inter-corporate deposit received back								
Inox Wind Infrastructure Services Limited	49,552.31	33,574.82	-	-	-	-	49,552.31	33,574.82
Total	49,552.31	33,574.82	-	-	-	-	49,552.31	33,574.82
Inter-corporate deposit taken								
GFL Limited	515.00	9,500.00	-	-	-	-	515.00	9,500.00
Inox Leasing and Finance Limited	2,500.00	-	-	-	-	-	2,500.00	-
Total	3,015.00	9,500.00	-	-	-	-	3,015.00	9,500.00
Inter-corporate deposit return back								
GFL Limited	530.00	-	-	-	-	-	530.00	-
Advance received against sale of goods/ services								
GFL Limited	-	14,010.00	-	-	-	-	-	14,010.00
Gujarat Fluorochemicals Limited	-	-	70,439.60	-	-	-	70,439.60	-
Total	-	14,010.00	70,439.60	-	-	-	70,439.60	14,010.00
Rent Paid								
GFL Limited	-	72.39	-	-	-	-	-	72.39
Gujarat Fluorochemicals Limited	-	-	72.39	-	-	-	72.39	-
Total	-	72.39	72.39	-	-	-	72.39	72.39

(₹ in Lakhs)

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

The following table summarizes related-party transactions and balances included in the standalone financial statements:

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Balance as at end of the year								
Amounts payable								
Advance from customers								
GFL Limited	22,010.00	21,538.70	-	-	-	-	22,010.00	21,538.70
Gujarat Fluorochemicals Limited	-	-	70,439.60	-	-	-	70,439.60	-
Wind Four Renergy Private Limited	-	-	-	-	-	1,571.87	-	1,571.87
Total	22,010.00	21,538.70	70,439.60			1,571.87	92,449.60	23,110.57
Trade and other payables								
Inox Renewables Limited *	-	-	332.52	-	-	-	332.52	-
Gujarat Fluorochemicals Limited	-	213.18	-	-	-	-	-	213.18
GFL Limited	-	157.00	-	-	-	-	-	157.00
Vinirmaa Energy Generation Private Limited	157.00	-	-	-	-	-	157.00	-
Total	157.00	370.18	332.52				489.52	370.18
Amounts receivable								
Trade receivable								
Gujarat Fluorochemicals Limited	-	-	2,470.21	-	-	-	2,470.21	-
Inox Wind Infrastructure Services Limited	19,850.05	7,611.38	-	-	-	-	19,850.05	7,611.38
Inox Renewables Limited	-	-	-	17,675.00	-	-	-	17,675.00
Sri Pavan Energy Private Limited	346.00	346.00	-	-	-	-	346.00	346.00
Wind Two Energy Private Limited	-	-	-	-	1,525.00	5,180.00	1,525.00	5,180.00
Wind Four Energy Private Limited	-	-	-	-	10,953.13	-	10,953.13	-
Wind Five Energy Private Limited	-	-	-	-	-	3,090.00	-	3,090.00
Total	20,196.05	7,957.38	2,470.21	17,675.00	12,478.13	8,270.00	35,144.38	33,902.38
Other receivable/Prepayments others								
Inox Wind Infrastructure Services Limited	8,215.97	-	-	-	-	-	8,215.97	-
Inter-Corporate deposit receivable								
Inox Wind Infrastructure Services Limited	28,156.92	21,774.39	-	-	-	-	28,156.92	21,774.39
Waft Energy Private Limited	10.05	4.58	-	-	-	-	10.05	4.58
Wind Four Renergy Private Limited	-	-	-	-	7,177.73	-	-	7,177.73
Total	28,166.97	21,778.97			7,177.73		35,344.70	21,778.97
Inter-Corporate deposit payable								
GFL Limited	9,485.00	9,500.00	-	-	-	-	9,485.00	9,500.00
Inox Leasing and Finance Limited	2,500.00	-	-	-	-	-	2,500.00	-
Total	11,985.00	9,500.00					11,985.00	9,500.00
Debentures								
Inox Wind Infrastructure Services Limited	30,000.00	40,000.00	-	-	-	-	30,000.00	40,000.00

*Adjusted income received in advance ₹350.49 lakhs

(₹ in Lakhs)

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

The following table summarizes related-party transactions and balances included in the standalone financial statements:

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Balance as at the end of the year								
Interest accrued on inter-corporate deposits receivable								
Inox Wind Infrastructure Services Limited	2,803.27	1,806.98	-	-	-	-	2,803.27	1,806.98
Waft Energy Private Limited	0.63	0.20	-	-	-	-	0.63	0.20
Wind Four Renergy Private Limited	-	-	-	-	89.70	-	89.70	-
Total	2,803.90	1,807.18	-	-	89.70	-	2,893.60	1,807.18
Interest payable on inter-corporate deposits taken								
GFL Limited	363.02	-	-	-	-	-	363.02	-
Inox Leasing and Finance Limited	26.74	-	-	-	-	-	26.74	-
Total	389.77	-	-	-	-	-	389.77	-
Interest payable on Advance								
Gujarat Fluorochemicals Limited	-	-	3,458.95	-	-	-	3,458.95	-
Interest accrued on debentures								
Inox Wind Infrastructure Services Limited	469.46	581.92	-	-	-	-	469.46	581.92

Notes:

- Sales, purchases and service transactions with related parties are made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- No expense has been recognised for the year ended 31 March 2020 and 31 March 2019 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no guarantees received or provided for any related party receivables or payables.
- Compensation of Key management personnel:

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

37 : Related Party Disclosures: (Contd..)

(₹ in Lakhs)		
Particulars	2019-2020	2018-2019
Remuneration paid		
Mr. Devansh Jain	92.64	92.64
Mr. Rajeev Gupta	-	9.99
Mr. Kailash Lal Tarachandani	147.11	128.53
Sitting fees paid to directors	4.80	7.80
Total	244.55	238.96

(₹ in Lakhs)		
Particulars	2019-2020	2018-2019
Short term benefits	239.75	231.16
Post employment benefits*		
Long term employment benefits*		
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	4.80	7.80
Total	244.55	238.96

*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 ₹ 8.86 lakhs (previous year ₹ 9.13 lakhs) included in the amount of remuneration reported above.

38 : 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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

38 : Capital Management (Contd..)

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Non-current borrowings	47.19	7,888.73
Current maturities of non-current borrowings	8,974.95	7,366.38
Current borrowings	51,014.86	58,857.28
Interest accrued but not due on borrowings	4,155.70	375.64
Total Debt	64,192.70	74,488.03
Less: Cash and bank balances (excluding bank deposits kept as lien)	398.21	461.66
Net debt	63,794.49	74,026.37
Total equity	1,78,440.54	2,01,081.83
Net debt to equity %	35.75%	36.81%

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, 2020 and 31 March, 2019.

39 : Financial Instruments

(i) Categories of financial instruments

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured as at FVTPL		
– Investments in debentures	28,301.38	37,217.74
– Investments in mutual funds	2,158.49	2,019.91
	30,459.87	39,237.65
Measured at amortised cost		
(a) Cash and bank balances	14,322.68	12,658.43
(b) Trade receivables	1,36,465.63	1,57,701.14
(c) Loans	38,386.71	23,736.00
(d) Other financial assets	4,594.78	3,394.75
	1,93,769.80	1,97,490.32
Measured at fair value through other comprehensive income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	–	–
Total financial assets	2,24,229.67	2,36,727.97
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Derivative instruments in designated hedge accounting relationship	–	529.23
	–	529.23
Measured at amortised cost		
(a) Borrowings	64,192.70	74,488.03
(b) Trade payables	65,193.34	63,994.00
(c) Other financial liabilities	4,615.39	4,022.79
	1,34,001.43	1,42,504.82
Measured at fair value through other comprehensive income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	–	81.52
Total financial liabilities	1,34,001.43	1,43,115.57

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

(ii) Financial risk management

The Company's corporate finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors of the Company, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed by the Company on a continuous basis. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(iii) Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into the variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk including:

1. Interest rate swaps to mitigate the risk of rising interest rates.
2. Principal only swaps, Currency Swaps, Options and forwards contracts to mitigate foreign currency risk of foreign currency borrowings and payables foreign currency.

(iv) (a) Foreign Currency risk management

Company is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings etc. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the Company with minimised residual risk.

The carrying amount of unhedged Foreign Currency (FC) denominated monetary liabilities at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Liabilities		
In USD		
Short Term Borrowings	4,232.70	-
Trade Payable	7,337.14	11,260.59
USD Total	11,569.84	11,260.59
In EURO		
Short Term Borrowings	658.88	-
Trade Payable	4,483.83	1,285.29
EURO Total	5,142.71	1,285.29
In Other currencies		
Short Term Borrowings	-	-
Trade Payable	9,401.96	8,797.08
Others Total	9,401.96	8,797.08
Grand Total	26,114.50	21,342.96

The Company does not have any foreign currency monetary assets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

(iv) (b) Foreign Currency sensitivity analysis

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

(₹ in Lakhs)

Particulars	USD impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	752.69	1,163.51
Impact on total equity as at the end of the reporting period	752.69	1,163.51

(₹ in Lakhs)

Particulars	EURO impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	334.56	842.60
Impact on total equity as at the end of the reporting period	334.56	842.60

(₹ in Lakhs)

Particulars	CNY impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	607.40	635.21
Impact on total equity as at the end of the reporting period	607.40	635.21

(v) (a) 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, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

As per the Company's risk management policy to minimize the interest rate cash flow risk on foreign currency long term borrowings, interest rate swaps are taken for most of the borrowings to convert the variable interest rate risk into rupee fixed interest rate. Thus, There is no major interest rate risks associated with foreign currency long term borrowings. In respect of foreign currency short term borrowings and rupee loans the Company does not have any borrowings at variable rate of interest.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

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 2020 would decrease/increase by INR 66.39 Lakhs net of tax (for the year ended 31 March 2019 decrease/increase by INR 95.30 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(v) (b) Interest rate swap contract

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

Details of Interest Rate Swap Contracts outstanding at the end of reporting period:

(₹ in Lakhs)

Particulars	Average contracted fixed interest rate		Notional principal amount (₹ in Lakhs)		Fair value assets (liabilities) (₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Cash flows hedges					
RBL Bank	–	10.50%	–	1,622.00	–	(81.52)
Less than 1 Year	–	–	–	1,622.00	–	(81.52)
Balance in the cash flow hedge reserve (net of tax)					–	(53.32)

Net foreign exchange loss include gain of Nil (previous year ₹ 87.66 lakhs) transferred from cash flow hedge reserve for year ended 31 March 2020.

Net loss of derivative instruments of Nil (previous year ₹ 53.32 lakhs) lakhs recognised in hedging reserve as at 31 March 2020

The interest rate swaps settle on quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Company's cash flow exposures resulting from variable interest rates on borrowing. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that floating rate interest payments on debt affect profit or loss.

The line-items in the Standalone balance sheet that include the above hedging instruments are "Other financial assets" and "Other financial liabilities".

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

(vi) Other price risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Company does not have investment in equity instruments, other than investments in subsidiary which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

(vii) 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, investment in mutual funds, derivative financial instruments, 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 supplies wind turbine equipments to customers which are installed and commissioned generally by a group company and it involves various activities such as civil work, electrical & mechanical work and commissioning activities. The payment terms with customers are fixed as per industry norms. The above activities lead to certain amounts becoming due for payment on completion of related activities and commissioning. The Company considers such amounts as due only on completion of related milestones. However, the group company has also long term operation and maintenance contract 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 2020 is ₹ 82,136.35 lakhs (as at 31 March 2019 of ₹ 78,449.75 lakh) are due from 5 major customers (5 customers as at 31 March 2019) who are reputed parties. All trade receivables are reviewed and assessed for default at each reporting period.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows and during the year the Company has changed the provision matrix considering the long term outstanding and credit risk.

Ageing	Expected credit loss (%)
	2019-2020
0-1 Year	1%
1-2 Year	5%
2-3 Year	10%
3-5 Year	15%
Above 5 Year	100%

Ageing	Expected credit loss (%)
	2018-2019
0-180 days	0.10%
181-365 days	0.50%
Above 365 days	1.50%

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

Age of receivables

Particulars	(₹ in Lakhs)	
	As at	
	31 March 2020	
0-1 Year	53,200.14	
1-2 Year	36,605.29	
2-3 Year	26,397.23	
3-5 Year	29,723.48	
Above 5 Year	8,729.28	
Gross trade receivables	1,54,655.43	

Particulars	(₹ in Lakhs)	
	As at	
	31 March 2019	
0-180 days	30,483.45	
181-365 days	48,402.71	
Above 365 days	80,291.86	
Gross trade receivables	1,59,178.02	

Movement in the expected credit loss allowance :

Particulars	(₹ in Lakhs)	
	As at	As at
	31 March 2020	31 March 2019
Balance at beginning of the year	1,476.88	883.69
Movement in expected credit loss allowance	16,712.92	593.19
Balance at end of the year	18,189.80	1,476.88

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

c) Other financial assets

Credit risk arising from investment in debt funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such investments.

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 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.

Liquidity and interest risk tables

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	(₹ in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
As at 31 March 2020				
Borrowings	59,989.81	47.19	-	60,037.00
Trade payables	65,193.34	-	-	65,193.34
Other financial liabilities	8,588.42	182.67	-	8,771.09
Derivative financial liabilities	-	-	-	-
	1,33,771.57	229.86	-	1,34,001.43
As at 31 March 2019				
Borrowings	66,223.66	7,888.73	-	74,112.39
Trade payables	63,994.00	-	-	63,994.00
Other financial liabilities	4,215.76	182.67	-	4,398.43
Derivative financial liabilities	610.75	-	-	610.75
	1,35,044.17	8,071.40	-	1,43,115.57

The above liabilities will be met by the Company from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Company also has unutilised financing facilities.

(viii) Forward Foreign Exchange Contracts

The Company enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk.

Outstanding Contracts	(₹ in Lakhs)							
	Exchange Rate		Foreign currency (Amount in Lakhs)		Nominal amounts (₹ in Lakhs)		Fair value assets/ (liabilities) ₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value hedges								
Principal only swaps (POS) contracts (Financial Liability)	-	68.93	-	45.98	-	3,169.67	-	199.73
Forward contracts								
USD	-	68.93	-	96.10	-	6,624.17	-	(97.03)
EUR	-	77.40	-	150.73	-	11,666.50	-	(676.87)
GBP	-	89.05	-	1.03	-	91.72	-	(0.68)
CNY	-	10.34	-	115.52	-	1,194.45	-	(35.89)

The line-items in the standalone balance sheet that include the above hedging instruments are "other financial assets" and "other financial liabilities".

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

39 : Financial Instruments (Contd..)

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

(₹ 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 2020	31 March 2019				
(a) Investment in Mutual funds (see Note 8)	Debt based mutual funds managed by various fund house – aggregate fair value of ₹ 2,158.49 Lakhs	Debt based mutual funds managed by various fund house – aggregate fair value of ₹ 2,019.91 Lakhs	Level 2	The use of net asset value (NAV) for mutual fund on the basis of the statement received from investee party	NA	NA
(b) Forward foreign currency contracts (see Note 20)	Nil	Liability – ₹ 810.48	Level 2		NA	NA
(c) Principal only swaps designated in hedge accounting relationships (see Note 20)	Nil	Assets – ₹ 199.73 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(d) Interest rate swaps designated in hedge accounting relationships (see Note 20)	Nil	Liability – ₹ 81.52 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(e) Investment in debentures (see Note 7)	Asset – ₹ 28,301.38 Lakhs	Asset – ₹ 37,217.74 Lakhs	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 risks of various counter parties.	NA	NA

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

(x) 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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

40 : Income tax recognised in Statement of Profit and Loss

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Current tax		
In respect of the current year	-	41.71
Minimum Alternate Tax (MAT) credit	-	(41.71)
In respect of the earlier year	-	-
	-	-
Deferred tax		
In respect of the current year	(12,177.49)	67.82
In respect of the earlier year	-	-
	(12,177.49)	67.82
Total income tax expense recognised in the current year	(12,177.49)	67.82

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

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Profit before tax	(34,888.67)	193.50
Income tax expense calculated at 34.944% (2018-2019: 34.944%)	(12,191.50)	67.62
Tax incentives	-	-
Effect of expenses that are not deductible in determining taxable profits	14.01	0.20
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 34.944%	-	-
	(12,177.49)	67.82
Taxation pertaining to earlier years	-	-
Income tax expense recognised in Statement of Profit and Loss	(12,177.49)	67.82

The tax rate used for the year ended 31 March 2020 and 31 March 2019 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.

41 : Contingent liabilities:

- (a) Claims against the Company not acknowledged as debts: claims made by contractors – ₹ 658.35 lakhs (as at 31 March 2019: ₹ 261.17 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 four (previous year : five) customers for non-commissioning of WTGs, the amount is not ascertainable.
- (c) Claim against the Company not acknowledged as debts from customer ₹ 4,050 lakhs (as at 31 March 2019 : ₹ 4,150 lakhs)
- (d) Claims made by vendors in National Company Law Tribunal (NCLT) for ₹ 396.00 Lakhs.
- (e) In respect of VAT matters – ₹ 59.09 lakhs (as at 31 March 2019: ₹ 59.09 lakhs)

The Company had received orders for the financial years ended 31 March 2013 and 31 March 2014, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 lakhs for delayed payment of VAT. The Company had filed appeals before the first

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

41 : Contingent liabilities: (Contd..)

appellate authority. During the year ended 31 March 2015, the company had received appellate order for the year ended 31 March 2014 confirming the levy of penalty and the Company has filed further appeal against the said order. However, the Company has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 lakhs and provision for the same was made during the year ended 31 March 2015. After adjusting the amount of ₹ 23.35 lakhs paid against the demands, the balance amount of ₹ 30.43 lakhs is carried forward as "Disputed sales tax liabilities (net of payments)" in Note 21.

- (f) In respect of Service tax matter- ₹ 1,401.63 lakhs (as at 31 March 2019: ₹ 1,401.63 lakhs)

The Company has received orders for the period September 2011 to March 2016, in respect of Service Tax, levying demand of ₹ 1,401.63 lakhs on account of disallowance of exemption of Research & Development cess from payment of service tax. The Company has received adverse order from CESTAT, Allahabad Bench.

The company has preferred an appeal before Hon'ble Bench of Allahabad High Court and the Hon'ble Bench of Allahabad High Court has stayed the proceedings subject to submission of the Security before the Assessing officer.

The Company has estimated the amount of demand which may be ultimately sustained at ₹ 32.19 lakhs and provision for the same is made during the year and carried forward as "Disputed service tax liabilities" in Note 21.

- (g) In respect of Income tax matters – ₹ 4014.44 lakhs (31 March 2019: ₹ 4,014.44 Lakhs)

This includes demand for assessment year 2013-14 received in the current year by the holding company, mainly on account of reduction in the amount of tax incentive claimed, against which the company has obtained favourable order from CIT- Appeals on the substantial issues and filed second appeal before ITAT, Bench, Chandigarh in June 2020 against the issues on which relief has not been granted.

- (h) In respect of Labour Cess under Building and Other Construction Workers Act, 1966 – ₹ 61.11 Lakhs (as at 31 March 2019: ₹ 61.11 Lakhs)

The Company has received the order for the financial year ended 31 March 2015, 31 March 2016 in respect of Labour Cess on construction work at Relwa Khurd MP plant.

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.

42 : Capital and other Commitments

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1,194.59 lakhs, (as at 31 March 2019: ₹ 1,057.24 lakhs).
- b) Amount of customs duty exemption availed by the Company under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period ₹ 2,651.54 lakhs (as at 31 March 2019 ₹ 2,651.54 lakhs). The Company has recognised deferred grant income under EPCG scheme upto the Financial year ending 31 March 2020 amounting to ₹ 1,465.80 lakhs (previous year ₹ 1,111.38 lakhs) against which export obligation is yet to be fulfilled by the Company.
- c) Bank guarantees issued by the Company to its customers for ₹ 51,276.00 lakhs (as at 31 March 2019 : ₹ 78,422.22 lakhs).

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

43: Outbreak of COVID-19

Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the company is in the business of Manufacturing of Wind Turbine Generator which fall under the Renewable Energy sector being the priority sector, the management believes that the impact of this outbreak on the business and financial position of the company will not be significant. The management does not see any risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The company has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the company expects to recover the carrying amount of trade receivables including unbilled receivables, investments, inventories and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

44 : 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 party's 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.

45: Note on Advance received from customers

- a. During the year, the Company has signed supply contracts for 125.4 MW Wind power projects of 38 Nos of 3300 KW WTG (Model WT3000DF) in the State of Gujarat with Gujarat Fluorochemicals Limited (GFCL). The company has received the interest bearing advance of ₹ 70,439.60 Lakhs against the contracts. The company is in process of fulfilment of the terms and conditions of the contracts.
- b. During the year, the Company has signed supply contracts for 250 MW Wind power project of 125 Nos of 2000 KW WTG (model DF/2000/113) with continuum Power Trading (TN) Private Limited. The Company has received the advance of ₹ 3,650.00 Lakhs against the contracts. The company is in process of fulfillment of the terms and conditions of the contracts.

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 manufacturing of Wind Turbine Generators (WTG's) comprising of Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities services for WTGs and hence there is only one reportable business segment in terms of Ind AS 108: Operating Segment.

Three customers contributed more than 10% of the total Company's revenue amounting to ₹ 37,026.82 lakhs (as at 31 March 2019: four customers amounting to ₹ 104,084.04 lakhs).

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

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	(₹ in Lakhs)	
	2019-2020	2018-2019
Major Product/ Service Lines		
Sale of goods	35,542.80	1,25,820.63
Sale of services	3,879.41	4,487.93
Others	13,345.36	4,239.91
Total	52,767.57	1,34,548.47

(B) Contract balances

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

48: Leases

Company as a lessee

- (a) The Company's significant leasing arrangements are in respect of leasehold lands. The Company has also taken certain commercial premises on lease.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. The Company is not required restate the comparative information.

- (b) On transition to Ind AS 116, the opening balances in 'Prepayment – leasehold lands' are reclassified as right-to-use assets.

The following is the summary of practical expedients elected on initial application:

- 1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- 2) Applied the exemption not to recognize right-of-use assets and liabilities for leases expiring within 12 months of lease term on the date of initial application.
- 3) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- 4) Applied the practical expedient to apply Ind AS 116 to the contracts that were previously identified as leases applying Ind AS 17: Leases and hence not reassessed whether a contract is, or contains, a lease at the date of the initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 12% p.a.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at March 31, 2019, discounted to the present value at the date of initial application of Ind AS 116, and the value of the lease liability as at April 1, 2019, is on account of exclusion of short term leases.

The effect of adoption of Ind AS 116 on the line items in the financial statements, profit before tax, profit for the period and earnings per share is not significant. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

48: Leases (Contd..)

(c) Particulars of right-to-use assets and lease liabilities

i. Carrying value of right-of-use assets by class of underlying assets

(₹ in Lakhs)

Particulars	As at 31 March 2020		
	Buildings	Land-leasehold	Total
On recognition and reclassification as at April 1, 2019	-	-	-
Addition for the year	185.03	4,532.78	4,717.81
Depreciation for the year	43.54	162.45	205.98
Balance as at 31 March 2020	141.49	4,370.34	4,511.83

ii. Movement in lease liability during year ended

(₹ in Lakhs)

Particulars	As at 31 March 2020
On recognition as at April 1, 2019	-
Additions during the year	246.20
Deletions	-
Interest on lease liabilities	29.55
Payment of lease liabilities	(67.25)
Balance as of March 31, 2020	208.50

iii. Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 March 2020
Maturity analysis – contractual undiscounted cash flows	
Less than one year	67.25
One to five years	109.78
More than five years	131.47
Total undiscounted lease liabilities	308.50

iv. Amount recognized in statement of profit and loss

(₹ in Lakhs)

Particulars	As at 31 March 2020
Interest on lease liabilities	29.55
Included in rent expenses: Expense relating to short-term leases	36.52

v. Amounts recognised in the statement of cash flows

(₹ in Lakhs)

Particulars	As at 31 March 2020
Total cash outflow for leases	67.25

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

49 : Payment to Auditors

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Statutory Audit (including consolidated accounts)	25.00	25.10
Limited review of quarterly accounts	15.00	7.50
Tax audit and other audits under Income-tax Act	11.50	10.50
Certification	3.41	0.45
Out of pocket expenses	1.65	0.56
Total	56.56	44.11

Note : The above amounts are exclusive of GST

50 (a) : Additional disclosure in respect of loans given, as required by the Listing Agreement:

i) Name of the loanee – Inox Wind Infrastructure Services Limited

(₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
In respect of Inter-corporate deposit		
Amount at the year end	28,156.92	21,774.39
Maximum balance during the year	31,638.03	22,814.89
In respect of debentures		
Amount at the year end	30,000.00	40,000.00
Maximum balance during the year	40,000.00	50,000.00
Investment by the loanee in shares of the Company	Nil	Nil

ii) Name of the loanee – Waft Energy Private Limited

(₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
In respect of Inter-corporate deposit		
Amount at the year end	10.05	4.58
Maximum balance during the year	10.05	4.58
Investment by the loanee in shares of the Company	Nil	Nil

iii) Name of the loanee – Wind four Renergy Private Limited

(₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
In respect of Inter-corporate deposit		
Amount at the year end	7,177.73	-
Maximum balance during the year	7,177.73	-
Investment by the loanee in shares of the Company	Nil	Nil

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

50 (b) Disclosure required under section 186(4) of the Companies Act, 2013 Loans to related parties:

(₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
Waft Energy Private Limited	10.05	4.58
Inox Wind Infrastructure Services Limited	28,156.92	21,774.39
Wind Four Renergy Private Limited	7,177.73	-

The above loans are unsecured. The inter-corporate deposits are repayable on demand and carry interest in the range of 7.50%-12% p.a. These loans are given for general business purposes.

51 : Terms of repayment and securities for non-current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Foreign currency term loan from Bank is secured by first pari-passu charge by way of hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area carries interest @ 10.25% p.a and is repayable in 18 quarterly installments starting from 30 October 2015.	-	1,490.18
Foreign currency term loan from Bank is secured by first pari-passu charge by hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area carries interest @10.50% p.a and repayable in 12 quarterly installments starting from 10 February 2017	-	1,679.50
Rupee term loan from Bank is secured by First exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants, carries interest @ 11.30% p.a. and is repayable in 20 quarterly installments starting from 30 September 2014.	-	125.00
Rupee term loan from Bank is secured by extention of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of INR 3.0 million), carries intrerest @ 9.10% to 10.38% p.a. and is repayable in 20 quarterly installments starting from 30 June 2017. The loan has been classified as current liability pursuant to the terms of sanction letter.	8,911.19	11,888.74
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly installments starting from 3 March 2017.	56.51	71.70
Vehicle term loan from others is secured by hypthecation of the said vehicle and carries interest @ 9.48% p.a. The loan is repayable in 36 monthly installments starting from 04 March 2020.	54.44	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

51 : Terms of repayment and securities for non-current borrowings (Contd..)

51a : Terms of repayment and securities for current borrowings

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Supplier's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.38% to 0.95%.	4,891.58	17,114.32
Working capital demand loan from bank is secured by first pari-passu charge on the current assets of the Company and carries interest in the range of 9.95% - 14% p.a)	16,895.63	5,900.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range on 10% -13.69% p.a.	11,731.46	25,513.46
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 8.25%-8.75% p.a.	1,033.45	829.50

There are no defaults on repayment of principal or payment of interest on borrowings, as on balance sheet date

52 : Corporate Social Responsibility (CSR)

- (a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹77.96 Lakhs (previous year: ₹ 523.83 Lakhs).
- (b) Amount spent during the year ended 31 March 2020:

Particulars	(₹ 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 (127.25)	Nil (Nil)	Nil (127.25)

(Figures in brackets pertain to previous year)

- 53 :** The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act ("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, the company appoints independent GST auditor for conducting GST audit to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising from the GST Audit shall be accounted for as and when the audit is completed for the current financial year. However, the management is of the opinion that the aforesaid legislations will not have any impact on the financial statements.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

54 : Events after the reporting period

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

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

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **Dewan P. N. Chopra & Co.**

Chartered Accountants

Firm's Registration No 000472N

For and on behalf of the Board of Directors

Sandeep Dahiya

Partner

Membership No 505371

UDIN: 20505371AAAAFR8372

Devansh Jain

Whole-time Director

DIN: 01819331

Vineet Valentine Davis

Whole-time Director

DIN: 06709239

Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary

Place : New Delhi

Date : 27 June 2020

Place : Noida

Date : 27 June 2020

Independent Auditor's Report

To
The Members of **Inox Wind Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Inox Wind 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, 2020, 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, 2020, 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

Allowance for credit losses

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses.

Refer Note 3.17, Note 14 and Note 38 to the Consolidated Financial Statements

How our audit addressed the key audit matter

Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue include the following, among others:

We tested the effectiveness of controls over the

- (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions
- (2) Completeness and accuracy of information used in the estimation of probability of default and
- (3) computation of the allowance for credit losses.

For a sample of customers:

We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.

We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Group.

The Key audit Matters
Adoption of Ind AS 116 Leases

As described in Note 50 to the Standalone Financial Statement, the Group has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Group has a large number of leases with different contractual terms.

Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet.

The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term.

Additionally, the standard mandates detailed disclosures in respect of transition.

Refer Note 50 and Note 3.7 to the Consolidated Financial Statements.

Litigation Matters

The Group has certain significant pending legal proceedings with Judicial/Quasi-Judicial for various complex matters with contractor/transporter, customer and other parties, continuing from earlier years.

Further, the Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Note 40 of the Consolidated Financial Statements.

Due to complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures on adoption of Ind AS 116 include:

- Assessed and tested new process and controls in respect of the lease accounting standard (IND AS 116)
 - Assessed the Group's evaluation on the identification of lease based on the contractual arrangement and our knowledge of the business.
 - Involved our specialists to evaluate the reasonableness of the discount rates applied in determining the lease liabilities.
 - Upon transition as at 01st April 2019 :
 - Evaluate the method of transition and related adjustments
 - Tested Completeness of the lease data by reconciling the Group's operating lease commitments to data used in computing ROU asset and the lease liabilities.
 - On a statistical sample, we performed the following procedures:
 - Assessed the key terms and condition of each lease with the underlying lease contracts; and
 - Evaluate computing of lease liabilities and challenged the key estimates such as discount rates and lease term.
 - Assessed and tested the presentation and disclosure relating to IND AS 116 including disclosure related to transition.
 - Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Group (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss.
 - Discussed with the management on the development in these litigations during the year ended March 31, 2020.
 - Rolled out of enquiry letters to the Group's legal counsel and noted the responses received.
 - Assessed the responses received from Group's legal counsel by engaging legal experts.
 - Assessed the objectivity, independence and competence of the Group's legal counsel involved in the process and legal experts engaged by us.
 - Reviewed the disclosures made by the Group in the Standalone Financial Statements in this regard.
-

Emphasis of Matter

We draw attention to Note 42 of the Consolidated Financial Statement which describes the management's assessment of the impact of the outbreak of Covid-19 on revenue, trade receivables, investments and other assets. The management believes that no adjustments are required in the financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment and its likely effect on future revenues due to Covid-19, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve.

Our report is not modified in respect of above matter.

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 Group and its associates 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) We did not audit the financial statement of one subsidiary, whose financial statement reflect total assets of Rs. 3.27 Lakhs as at 31st March, 2020, total revenue of Rs. Nil and net cash flows amounting to Rs. 2.77 Lakhs for the year ended 31st March 2020, as considered in the consolidated financial statement. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements, 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 financial statements / financial information certified by the Management.

- (b) Due to the COVID-19 related lockdown, we were unable to observe the management's year-end physical verification of inventory at respective locations. We have therefore, relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end.

Our report is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act

2. 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 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, 2020 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 incorporated in India, none of the directors of the Group companies and its associate

companies is disqualified as on 31st March, 2020 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 incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (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 matters 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. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies incorporated in India.

For **Dewan P. N. Chopra & Co.**

Chartered Accountants
Firm Regn. No. 000472N

Sandeep Dahiya

Partner

Membership No. 505371

UDIN: 20505371AAAAFQ5668

Place: New Delhi

Date: 27 June 2020

Annexure – A to the Independent Auditor's Report

of even date on the consolidated financial statements of inox wind 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 Group as of and for the year ended March 31, 2020, We have audited the internal financial controls over financial reporting of Inox Wind 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 Group'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 Group; (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 Group are being made only in accordance with authorisations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group'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, 2020, based on the internal control over financial reporting criteria established by the Group 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 in so far as it relates to four 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.

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

Sandeep Dahiya

Partner

Place: New Delhi
Date: 27 June 2020

Membership No. 505371
UDIN: 20505371AAAAFQ5668

Consolidated Balance Sheet

as at 31 March 2020

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	5	120,009.30	94,272.16
(b) Capital work-in-progress		3,336.13	6,584.57
(c) Intangible assets	6	2,767.87	3,029.94
(d) Financial assets			
(i) Investments in associates	7	6,955.00	6,931.12
(ii) Loans	9	1,341.24	1,342.68
(iii) Other non-current financial assets	10	39,493.17	31,001.04
(e) Deferred tax assets (net)	22	26,048.22	10,862.95
(f) Income tax assets (net)	11	2,784.98	1,600.38
(g) Other non-current assets	12	7,134.21	10,957.39
Total Non-current Assets		209,870.12	166,582.23
Current Assets			
(a) Inventories	13	99,409.77	94,375.36
(b) Financial assets			
(i) Investments	8	2,443.97	2,153.58
(ii) Trade receivables	14	132,232.48	162,985.38
(iii) Cash and cash equivalents	15	730.26	525.26
(iv) Bank balances other than (iii) above	16	15,380.18	13,014.28
(v) Loans	9	8,055.92	52.39
(vi) Other current financial assets	10	4,617.54	7,124.31
(c) Income tax assets (net)	11	931.60	330.11
(d) Other current assets	12	55,486.10	26,962.14
Total Current Assets		319,287.82	307,522.81
Total Assets		529,157.94	474,105.04
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	22,191.82	22,191.82
(b) Other equity	18	146,372.21	174,294.84
Equity Attributable to Owners		168,564.03	196,486.66
(c) Non-Controlling Interest		(7.43)	(38.51)
Total Equity		168,556.60	196,448.15
LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	11,858.30	33,160.72
(ii) Other non-current financial liabilities	20	182.67	182.67
(b) Provisions	21	828.95	755.08
(c) Other non-current liabilities	23	1,881.03	5,919.83
Total Non-current Liabilities		14,750.95	40,018.30
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	24	72,731.17	76,038.52
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		180.13	224.75
b) total outstanding dues of creditors other than micro enterprises and small enterprises		105,285.92	88,650.44
(iii) Other current financial liabilities	20	41,291.72	32,019.25
(b) Other current liabilities	23	126,065.65	40,421.16
(c) Provisions	21	285.29	284.46
(d) Current tax liabilities (net)	26	10.52	0.01
Total Current Liabilities		345,850.39	237,638.59
Total Equity and Liabilities		529,157.94	474,105.04

The accompanying notes (1 to 60) are an integral part of the consolidated financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAFAQ5668

For and on behalf of the Board of Directors

Devansh Jain
Whole-time Director
DIN: 01819331

Vineet Valentine Davis
Whole-time Director
DIN: 06709239

Kailash Lal Tarachandani
Chief Executive Officer

Narayan Lodha
Chief Financial Officer

Deepak Banga
Company Secretary

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Consolidated Statement of Profit and Loss

for the year ended 31 March 2020

(₹ in Lakhs)

Particulars	Notes	2019-2020	2018-2019
Revenue			
Revenue from operations	27	76,018.50	143,744.33
Other income	28	1,040.57	2,340.59
Total Revenue (I)		77,059.07	146,084.92
Expenses			
Cost of materials consumed	29	18,036.59	88,343.78
Purchases of stock-in-trade		11,495.16	-
EPC, O&M, Common infrastructure facility and site development expenses	30	25,767.80	17,961.99
Changes in inventories of finished goods and work-in-progress	31	(2,916.67)	(4,569.27)
Employee benefits expense	32	9,022.10	9,378.98
Finance costs	33	24,377.06	16,860.98
Depreciation and amortisation expense	34	8,030.08	6,605.99
Other expenses	35	26,251.78	20,403.02
Total Expenses (II)		120,063.90	154,985.47
Less: Expenditure capitalised		-	2,713.60
Net Expenses (II)		120,063.90	152,271.87
Share of profit/(loss) of associates (III)		23.88	(23.88)
Profit/(loss) Before Tax (I-II+III=IV)		(42,980.95)	(6,210.83)
Tax Expense	49		
Current tax		10.36	41.67
MAT credit entitlement		(10.36)	(41.67)
Deferred tax		(15,041.12)	(2,212.92)
Taxation pertaining to earlier years		0.24	-
Total Tax Expense (V)		(15,040.88)	(2,212.92)
Profit/(loss) for the Year (IV-V=VI)		(27,940.07)	(3,997.91)
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		71.41	182.43
Tax on above		(24.96)	(63.74)
B Items that will be reclassified to profit or loss			
Gains and (loss) on effective portion of hedging instruments in a cash flow hedge		81.96	(83.49)
Tax on above		(28.64)	29.17
Total Other Comprehensive Income (VII)		99.77	64.37
Total Comprehensive Income for the Year (VI+VII)		(27,840.30)	(3,933.54)
Profit for the year attributable to:			
- Owners of the Company		(27,971.16)	(3,954.50)
- Non-controlling interests		31.09	(43.41)
		(27,940.07)	(3,997.91)
Other comprehensive income for the year attributable to:			
- Owners of the Company		99.77	64.37
- Non-controlling interests		-	-
		99.77	64.37
Total comprehensive income for the year attributable to:			
- Owners of the Company		(27,871.39)	(3,890.13)
- Non-controlling interests		31.09	(43.41)
		(27,840.30)	(3,933.54)
Basic and diluted earnings/(loss) per equity share of ₹10 each (in ₹)	36	(12.59)	(1.80)

The accompanying notes (1 to 60) are an integral part of the consolidated financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAFAQ5668

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
DIN: 01819331

Kailash Lal Tarachandani

Chief Executive Officer

Deepak Banga

Company Secretary

Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Narayan Lodha

Chief Financial Officer

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Consolidated Cash Flow Statement

for the year ended 31 March 2020

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Cash flows from operating activities		
Profit/(loss) for the year after tax	(27,940.07)	(3,997.91)
Adjustments for:		
Tax expense	(15,040.88)	(2,212.92)
Finance costs	24,377.06	16,860.98
Interest income	(1,443.94)	(1,156.47)
Gain on investments carried at FVTPL	(162.37)	(18.78)
Share of (profit)/loss of associates	(23.88)	23.88
Bad debts, remissions and liquidated damages	-	147.08
Allowance for expected credit losses	18,738.66	705.93
Depreciation and amortisation expense	8,030.08	6,605.99
Unrealised foreign exchange gain (net)	583.01	(723.43)
Unrealised MTM (gain) on financial assets & derivatives	(467.64)	(37.01)
(Gain)/Loss on sale / disposal of property, plant and equipment	(75.89)	19.80
	6,574.14	16,217.14
Movements in working capital:		
(Increase)/Decrease in Trade receivables	(3,710.32)	(28,391.94)
(Increase)/Decrease in Inventories	(5,221.81)	(1,443.32)
(Increase)/Decrease in Loans	1.44	151.26
(Increase)/Decrease in Other financial assets	(7,332.04)	(9,333.09)
(Increase)/Decrease in Other assets	(23,940.57)	(13,187.67)
Increase/(Decrease) in Trade payables	4,000.83	39,302.58
Increase/(Decrease) in Other financial liabilities	27,760.19	2,108.54
Increase/(Decrease) in Other liabilities	77,333.20	9,590.11
Increase/(Decrease) in Provisions	228.06	78.41
Cash generated from operations	75,693.12	15,092.02
Income taxes paid	(2,399.33)	(390.90)
Net cash generated from operating activities	73,293.79	14,701.12
Cash flows from investing activities		
Purchase of property, plant and equipment (including changes in capital WIP, capital creditors/advances)	(29,593.36)	(13,741.03)
Proceeds from disposal of property, plant and equipment	2,543.75	58.68
Purchase of current investments (Mutual Fund)	(133.00)	(4,134.00)
Sale/redemption of current investments	4.97	2,004.06
Investment in subsidiaries & associates	-	(7,000.00)
Interest received	2,408.15	1,383.44
Dividend received	-	-
Inter corporate deposits given	(7,853.57)	(51.54)
Inter corporate deposits received back	-	3.61
Movement in bank deposits	(1,951.08)	(4,878.24)
Net cash generated from/(used in) investing activities	(34,574.14)	(26,355.02)
Share Capital issued during the year		
Share Capital issued during the year	-	4.90
Proceeds from non-current borrowings	3,744.00	20,777.69
Repayment of non-current borrowings	(19,550.75)	(23,836.45)
Proceeds from/(repayment of) short term borrowings (net)	(3,568.36)	28,320.07
Finance Costs	(19,139.54)	(17,645.29)
Net cash generated from/(used in) financing activities	(38,514.65)	7,620.92
Net increase/(decrease) in cash and cash equivalents	205.00	(4,032.98)
Cash and cash equivalents at the beginning of the year	525.26	4,558.24
Cash and cash equivalents at the end of the year	730.26	525.26

Consolidated Cash Flow Statement

for the year ended 31 March 2020

Changes in liabilities arising from financing activities during the month 31 March 2020

Particulars	(₹ in Lakhs)		
	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	76,259.41	55,744.56	22,191.82
Cash flows	(3,451.68)	(15,806.75)	-
Interest expense	8,242.92	5,188.76	-
Interest paid	(7,265.70)	(5,760.65)	-
Impact of exchange fluctuation	-	730.95	-
Closing balance	73,784.95	40,096.87	22,191.82

Changes in liabilities arising from financing activities during the month 31 March 2019

Particulars	(₹ in Lakhs)		
	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	48,319.12	59,553.88	22,191.82
Cash flows	28,320.07	(3,058.76)	-
Interest expense	5,589.14	6,269.02	-
Interest paid	(5,968.92)	(6,502.88)	-
Impact of exchange fluctuation	-	(516.70)	-
Closing balance	76,259.41	55,744.56	22,191.82

Note:

1. The above consolidated 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 P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAAFQ5668

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
DIN: 01819331

Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Consolidated Statement of Changes in Equity

for the year ended 31 March 2020

A. Equity share capital

	(₹ in Lakhs)
Balance as at 1 April 2018	22,191.82
Changes in equity share capital during the year	-
Balance as at 31 March 2019	22,191.82
Changes in equity share capital during the year	-
Balance as at 31 March 2020	22,191.82

B. Other equity

Particulars	Reserves & surplus			Items of other comprehensive income	Non-Controlling Interests	Total
	Securities premium	Debenture Redemption Reserve	Retained earnings	Cash flow hedge reserve		
Balance as at 1 April 2018	64,586.03	1,800.00	111,849.17	1.00	-	178,236.20
Additions during the year:						
Profit /(loss) for the year	-	-	(3,954.50)	-	(43.41)	(3,997.91)
Non- Controlling on account of issue of share	-	-	-	-	4.90	4.90
Stamp duty paid on increase of authorised share capital	(51.23)	-	-	-	-	(51.23)
Other comprehensive income for the year, net of income tax(*)	-	-	118.69	(54.32)	-	64.37
Total comprehensive income for the year	(51.23)	-	(3,835.81)	(54.32)	(38.51)	(3,979.87)
Balance as at 31 March 2019	64,534.80	1,800.00	108,013.36	(53.32)	(38.51)	174,256.33
Additions during the year:						
Profit /(loss) for the year	-	-	(27,971.16)	-	31.08	(27,940.08)
Non- Controlling on account of issue of share	-	-	-	-	-	-
Impact on account of adoption of Ind AS 116 (see Note 50)	-	-	(8.49)	-	-	(8.49)
Stamp duty paid on increase of authorised share capital	(42.75)	-	-	-	-	(42.75)
Other comprehensive income for the year, net of income tax(*)	-	-	46.45	53.32	-	99.77
Total comprehensive income for the year	(42.75)	-	(27,933.20)	53.32	31.08	(27,891.55)
Balance as at 31 March 2020	64,492.05	1,800.00	80,080.16	-	(7.43)	146,364.78

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

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAAFQ5668

For and on behalf of the Board of Directors

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Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

1. Group information

Inox Wind 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 manufacture and sale of Wind Turbine Generators ("WTGs"). It also provides Erection, Procurement and Commissioning ("EPC") services, Operations and Maintenance ("O&M") services, wind farm development services and Common Infrastructure Facilities for WTGs. The area of operations of the Group is within India. The Company's parent company is GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) and its ultimate holding company is Inox Leasing and Finance Limited. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

The Company's registered office is located at Plot No.1, Khasra No. 264-267 Industrial Area, Near Power House, Village Basal Dist. Una, Himachal Pradesh, India and the particulars of its other offices and plants are disclosed in the annual report.

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;
- 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 policies hitherto in use.

These CFS have been prepared on accrual and going concern basis.

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

- the asset/liability is expected to be realised/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;

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

- the asset/liability is expected to be realised/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 realisation in cash and cash equivalents.

These CFS were authorized for issue by the Company's Board of Directors on 27th June 2020.

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 subsidiary acquired or disposed off 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 intra group 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 or joint venture.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

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:

- 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 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

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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 off.

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 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

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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 3.1 – 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 point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and

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maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- 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

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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 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grants.

Government grants in the form of non-monetary asset given at a concessional rate is accounted for at their fair value. The related grant is presented as deferred income and subsequently transferred to profit or loss as 'other income' on a systematic and rational basis. Grants that compensate the group for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Group recognises as expenses the related costs which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.7 Leases

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.

3.7.1 The Group as lessee

The Group lease assets includes classes primarily consist of leases for land and building, The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an indentified asset for a period of time

in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contract involves the use of an identified assets (ii) the Group has substantially all of the economic benefits from use of the assets through the period of the lease and (iii) the Group has the right to direct the use of the assets.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, the Group recognizes the lease payments as on operating expenses on a straight-line bases over the term of lease.

The right-of-use assets are initially recognized a cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciation from commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying assets. Right of use assets is evaluated for recoverability whenever events of changes in circumstance indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual assets basis unless the assets does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined from the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group change its assessment if whether it will exercise an extension or a termination option.

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Lease liability and ROU asset have been separately presented in the Balance sheet and lease payments have been classified as financial cash flows.

3.8 Foreign currency transactions and translation

In preparing the financial statements of each individual Group Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 3.18) below for hedging accounting policies.

3.9 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.

3.10 Employee benefits

3.10.1 Retirement benefit costs

Recognition and measurement of defined contribution plans:

Payments to defined contribution 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 retirement 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:

- 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

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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.

3.10.2 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.

3.11 Taxation

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

3.11.1 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.

3.11.2 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 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.

3.11.3 Presentation of current and deferred tax:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are

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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.

3.12 Property, plant and equipment

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, 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.

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.

3.13 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.

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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 upon 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:

- Technical know-how 10 years
- Operating software 3 years
- Other software 6 years

3.14 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.

3.15 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 finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.16 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.

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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.

3.17 Financial instruments

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

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when a group 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.

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.

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This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

ii. Financial assets measured at FVTOCI:

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

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

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

This category does not apply to any of the financial assets of the Group other than the derivative instrument for the cash flow hedges.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Foreign exchange gains and losses

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

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

e) Derecognition:

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

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

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

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

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

f) Impairment of financial assets:

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

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

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. 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.

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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) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

d) Derecognition of financial liabilities:

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

3.18 Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 38.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

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

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge relationship so designated as fair value is accounted for in accordance with the accounting principles prescribed for hedge accounting under Ind AS 109, 'Financial Instruments'.

a) Fair value hedges:

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.

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for the year ended 31 March 2020

Note 38 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 hedge 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.

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.

3.19 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.

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 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.

4.1 Following are the critical judgements that have the most significant effects on the amounts recognised in these CFS:

a) Leasehold land

Considering the terms and conditions of the leases in respect of leasehold land, particularly the transfer of the significant risks and rewards, it is concluded that they are in the nature of operating leases.

4.2 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) and intangible assets (other than goodwill):

The Group has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.12 & 3.13 above. The Group reviews the estimated useful lives of PPE at the end of each reporting period.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

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 38.

c) Investment in associates

During the year, the Group has incorporated certain wholly-owned subsidiaries for the purpose of carrying out business of generation and sale of wind energy. Thereafter, the Group 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 Group has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the Group has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.

d) 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 and possibility of utilizing available tax credits – see Note 49
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 39
- 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 21 and Note 40
- Impairment of financial assets – see Note 38

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Freehold land	2,002.83	1,469.95
Leasehold land	4,370.33	-
Buildings	17,567.89	18,058.74
Plant and equipment	95,518.07	74,134.72
Furniture and fixtures	305.55	345.09
Vehicles	196.98	174.79
Office equipment	47.65	88.87
Total	120,009.30	94,272.16

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

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Freehold land	2,002.83	1,469.95
Buildings	17,426.40	18,058.74
Plant and equipment	95,518.07	74,134.72
Furniture and fixtures	305.55	345.09
Vehicles	196.98	174.79
Office equipment	47.65	88.87
Total	115,497.48	94,272.16

5A: Property, plant and equipment

(₹ in Lakhs)

Description of Assets	Land – Freehold	Land – Leasehold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost or deemed cost:								
Balance as at 1 April 2018	1,419.08	-	20,975.25	83,542.50	475.97	385.65	314.25	107,112.70
Additions	50.87	-	519.32	4,228.10	3.53	-	42.75	4,844.57
Disposal	-	-	-	-	-	(125.23)	-	(125.23)
Borrowing cost capitalised	-	-	-	-	-	-	-	-
Balance as at 1 April 2019	1,469.95	-	21,494.57	87,770.60	479.50	260.42	357.00	111,832.04
Additions	400.00	-	1,000.00	28,930.79	11.70	55.06	9.57	30,407.12
Additions (Impact on account of adoption of Ind AS 116) (see Note 50)	-	4,532.78	185.03	-	-	-	-	4,717.81
Disposal	(32.12)	-	-	(2,557.17)	-	-	-	(2,589.29)
Adjustments*	165.00	-	-	(165.00)	-	-	-	-
Borrowing cost capitalised	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	2,002.83	4,532.78	22,679.60	113,979.22	491.20	315.48	366.57	144,367.68
Accumulated Depreciation:								
Balance as at 1 April, 2018	-	-	2,189.72	9,046.17	84.03	94.17	187.89	11,601.98
Depreciation for the year	-	-	1,246.11	4,589.71	50.38	37.98	80.24	6,004.42
Eliminated on disposal of asset	-	-	-	-	-	(46.52)	-	(46.52)
Balance as at 1 April, 2019	-	-	3,435.83	13,635.88	134.41	85.63	268.13	17,559.88

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5 : Property, plant and equipment (Contd..)

(₹ in Lakhs)

Description of Assets	Land – Freehold	Land – Leasehold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Depreciation for the year	-	-	1,632.34	5,428.42	51.24	32.87	50.79	7,195.66
Depreciation for the year (Impact on account of adoption of Ind As 116) (see Note 50)	-	162.45	43.54	-	-	-	-	205.99
Eliminated on disposal of asset	-	-	-	(603.15)	-	-	-	(603.15)
Balance as at 31 March 2020	-	162.45	5,111.71	18,461.15	185.65	118.50	318.92	24,358.38

(₹ in Lakhs)

Net carrying amount	Land – Freehold	Land – Leasehold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31 March 2019	1,469.95	-	18,058.74	74,134.72	345.09	174.79	88.87	94,272.16
As at 31 March 2020	2,002.83	4,370.33	17,567.89	95,518.07	305.55	196.98	47.65	120,009.30

*Note: The above figure has been reclassified from Plant and equipment to Freehold Land.

6: Intangible Assets

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Technical know-how	2,362.20	3,002.31
Software	405.67	27.63
Total	2,767.87	3,029.94

Details of Intangible Assets

(₹ in Lakhs)

Particulars	Technical know-how	Software	Total
Balance as at 1 April 2018	4,248.62	186.17	4,434.79
Additions	658.22	1.44	659.66
Balance as at 1 April 2019	4,906.84	187.61	5,094.45
Additions	-	366.37	366.37
Adjustment*	(43.54)	43.54	-
Balance as at 31 March 2020	4,863.30	597.52	5,460.82
Accumulated amortisation :			
Balance as at 1 April 2018	1,335.15	127.79	1,462.94
Amortisation expense for the year	569.38	32.19	601.57
Balance as at 1 April 2019	1,904.53	159.98	2,064.51
Amortisation expense for the year	596.57	31.87	628.44
Balance as at 31 March 2020	2,501.10	191.85	2,692.95

(₹ in Lakhs)

Net carrying amount	Technical know-how	Software	Total
As at 31 March 2019	3,002.31	27.63	3,029.94
As at 31 March 2020	2,362.20	405.67	2,767.87

*Note: The above figure has been reclassified from Technical know-how to Software.

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for the year ended 31 March 2020

7: Investment in Associates

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
In equity instruments (unquoted)		
(in fully paid-up equity shares of ₹ 10 each)		
Wind Two Renergy Private Limited – 32,510,000 (31 March 2019: 32,510,000) equity shares# *	3,251.00	3,248.09
Wind Four Renergy Private Limited – 18,510,000 (31 March 2019: 18,510,000) equity shares#	1,851.00	1,848.39
Wind Five Renergy Private Limited – 18,510,000 (31 March 2019: 18,510,000) equity shares#	1,851.00	1,834.64
Wind One Renergy Private Limited – 10,000 (31 March 2019: 10,000) equity shares #	1.00	–
Wind Three Renergy Private Limited – 10,000 (31 March 2019: 10,000) equity shares #	1.00	–
	6,955.00	6,931.12

The Group has entered inter-alia binding agreement with above companies. In view of the provision of binding agreement, the Group has ceased to exercise control over companies. (See Note 51)

*The Company has neither right to variable returns from its investment with the investee nor the ability to affect those returns through its power over the investee.

8: Other Investment

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Financial assets carried at FVTPL		
Investments in mutual funds (unquoted, fully paid up)		
(Face value ₹ 10 each)		
FEGP-IDBI Focused 30 Equity Fund – Regular Plan – Growth – Nil (31 March 2019: 50,000 units)	–	4.95
L079B SBI Saving Fund – Regular plan – Growth – 6,963,536.73 units (31 March 2019: 6,963,536.73 units)	2,158.49	2,014.97
ABSL Saving Fund – Growth Direct- 71,221.92 units (31 March 2019: 35,952.88 units)	285.48	133.66
Total Current investments	2,443.97	2,153.58
Total Investments (non-current and current)	2,443.97	2,153.58
Aggregate book value of quoted investments	–	–
Aggregate market value of quoted investments	–	–
Aggregate carrying value of unquoted investments	2,443.97	2,153.58
Aggregate amount of impairment in value of investments	–	–
Category-wise other investments – as per Ind AS 109 classification		
Carried at fair value through profit and loss	2,443.97	2,153.58
Carried at amortised cost	–	–
	2,443.97	2,153.58

Notes to the Consolidated Financial Statements

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9: Loans (Unsecured & Considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Security deposits	1,341.24	1,342.68
Total	1,341.24	1,342.68
Current		
Loans to related parties (see Note 51)		
Inter-corporate deposits to related parties	8,055.92	52.39
Total	8,055.92	52.39

10: Other Financial Assets (Unsecured & Considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Non-current bank balances (from Note 16)	101.66	362.68
Unbilled revenue (see Note below)	39,391.51	30,638.36
Total	39,493.17	31,001.04
Current		
Other interest accrued	76.05	5.65
Unbilled revenue (see Note below)	4,163.72	6,740.89
Insurance claims lodged	63.02	63.02
Other receivables	314.75	314.75
Total	4,617.54	7,124.31

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

11: Income Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Income tax paid (net of provisions)	2,784.98	1,600.38
Total	2,784.98	1,600.38
Current		
Income tax paid (net of provisions)	931.60	330.11
Total	931.60	330.11

Notes to the Consolidated Financial Statements

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12: Other Assets

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Capital advances		
Security deposits with government authorities	6,131.25	5,954.22
Balances with government authorities	101.77	59.44
– Balances in Service Tax , VAT & GST accounts	464.44	569.22
Prepayments- leasehold land	–	4,309.77
Prepayments – others	436.75	64.74
Total	7,134.21	10,957.39
Current		
Advance to suppliers	39,735.28	17,993.76
Advance for expenses	89.12	264.80
Balances with government authorities		
– Balances in Service Tax , VAT & GST accounts	13,147.75	6,662.53
Prepayments- leasehold land	–	162.47
Prepayments – others	1,750.71	1,878.58
Other Recoverable	763.24	–
Total	55,486.10	26,962.14

13: Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials	55,831.19	47,022.68
(including goods in transit of ₹ 13,286.92 lakhs, as at 31 March 2019 ₹ 18,027.61 lakhs)		
Construction materials	10,307.70	16,989.20
Work-in-progress*	29,562.00	27,304.90
Finished goods	3,471.57	2,812.00
Stores and spares	237.31	246.58
Total	99,409.77	94,375.36

*See Note 45

Note:

Inventories of ₹ 63,461.66 lakhs (as at 31 March 2019: ₹ 52,833.78 Lakhs) are hypothecated against working capital facilities from banks, see Note 52 for security details.

14: Trade Receivables (Unsecured)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Considered good	152,717.94	164,732.19
Less: Allowances for expected credit losses	20,485.46	1,746.81
Total	132,232.48	162,985.38

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

15: Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
in current accounts	722.92	508.86
in cash credit accounts	2.24	8.45
Cash on hand	5.10	7.95
Total	730.26	525.26

16: Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Bank deposits with original maturity period of more than 3 months but less than 12 months	13,784.88	12,142.41
Bank deposits with original maturity for more than 12 months	962.17	938.88
Bank deposits with original maturity for less than 3 months	734.79	295.67
	15,481.84	13,376.96
Less: Amount disclosed under Note 10 – 'Other financial assets-Non current'	101.66	362.68
Total	15,380.18	13,014.28

Note:

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	13,475.75	11,642.68
b) Bank deposits with original maturity for more than 12 months	962.17	800.74
c) Bank deposits with original maturity for less than 3 months	734.79	295.67

17 : Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised capital		
500,000,000 (as at 31 March 2019: 500,000,000) equity shares of ₹ 10 each	50,000.00	50,000.00
Issued, subscribed and paid up		
221,918,226 (as at 31 March 2019 : 221,918,226) equity shares of ₹ 10 each fully paid up	22,191.82	22,191.82
	22,191.82	22,191.82

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

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	221,918,226	22,191.82	221,918,226	22,191.82
Shares outstanding at the end of the year	221,918,226	22,191.82	221,918,226	22,191.82

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

17 : Equity share capital (Contd..)

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

The Company has only one class of equity shares having par value of ₹ 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:

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	126,438,669	12,643.87	126,438,669	12,643.87

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

Name of Shareholders	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	126,438,669	56.975%	126,438,669	56.975%
Siddho Mal Trading LLP	10,000,000	4.506%	10,000,000	4.506%
Siddhapawan Trading LLP	10,000,000	4.506%	10,000,000	4.506%
Devansh Trademart LLP	10,000,000	4.506%	10,000,000	4.506%
Inox Chemicals LLP	10,000,000	4.506%	10,000,000	4.506%

18: Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium	64,492.05	64,534.80
Debenture redemption reserve	1,800.00	1,800.00
Cash flow hedge reserve	-	(53.32)
Retained earnings	80,080.16	108,013.36
Total	146,372.21	174,294.84

18 (i) Securities premium

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	64,534.80	64,586.03
Add: Movement during the year	(42.75)	(51.23)
Balance at the end of the year	64,492.05	64,534.80

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

18: Other equity (Contd..)

18 (ii) Debenture redemption reserve

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	1,800.00	1,800.00
Transfer from retained earnings	-	-
Balance at the end of the year	1,800.00	1,800.00

The Group 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 (iii) Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	(53.32)	1.00
Other comprehensive income for the year, net of income tax	53.32	(54.32)
Balance at the end of the year	-	(53.32)

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non-financial hedged item, or when it becomes ineffective.

18 (iv) Retained earnings:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Surplus in the statement of profit and loss	108,013.36	111,849.17
Impact on account of adoption of Ind AS 116 (see Note 50)	(8.49)	-
Total comprehensive income for the year	(27,924.71)	(3,835.81)
Transfer to debenture redemption reserve	-	-
Total	80,080.16	108,013.36

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.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

19: Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured loans:		
Debentures		
Redeemable non convertible debentures	5,445.06	15,858.59
Foreign currency term loans		
From banks	–	3,193.24
Rupee term loans		
From banks	34,540.33	36,621.03
From other parties	111.48	71.70
Total	40,096.87	55,744.56
Less: Amounts disclosed under Note 20 "Other current financial liabilities")		
Current maturities	27,481.11	21,316.39
Interest accrued	757.46	1,267.45
Total	11,858.30	33,160.72

For terms of repayment and securities etc. see Note 52

20: Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Security deposits	182.67	182.67
Total	182.67	182.67
Current		
Current maturities of non-current borrowings (see Note 19)	27,481.11	21,316.39
Interest accrued	6,170.64	1,488.34
Creditors for capital expenditure	3,309.17	4,776.77
Consideration payable for business combinations	1,197.46	1,198.00
Derivative financial liabilities	–	610.75
Employee dues payables	3,059.98	2,562.31
Expenses payables	73.36	66.69
Total	41,291.72	32,019.25

21: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Provision for employee benefits (see Note 39)		
Gratuity	581.75	495.87
Compensated absences	247.20	259.21
Total	828.95	755.08

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

21: Provisions (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Provision for employee benefits (see Note 39)		
Gratuity	31.23	24.03
Compensated absences	191.44	197.81
Other provisions (see Note 40)		
Disputed service tax liabilities	32.19	32.19
Disputed sales tax liabilities (net of payments)	30.43	30.43
Total	285.29	284.46

(₹ in Lakhs)

	Service Tax	Sale Tax
Balance as at 01 April 2016	-	30.43
Addition during the year	32.19	-
Balance as at 31 March 2017	32.19	30.43
Balance as at 31 March 2018	32.19	30.43
Balance as at 31 March 2019	32.19	30.43
Balance as at 31 March 2020	32.19	30.43

22: Deferred Tax Balances

Year ended 31 March 2020

Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against consolidation	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(6,460.57)	1,075.66	-	-	-	(5,384.91)
Government grant-deferred income	797.57	(125.30)	-	-	-	672.27
Straight lining of O & M revenue	(12,734.24)	(1,754.08)	-	-	-	(14,488.32)
Allowance for expected credit loss	602.40	6,548.52	-	-	-	7,150.92
Defined benefit obligations	338.78	51.05	(24.96)	-	-	364.87
Effects of measuring investments at fair value	(982.36)	(169.16)	-	-	-	(1,151.52)
Business loss	17,410.98	8,262.15	-	187.39	-	25,860.52
Other deferred tax assets	2,043.69	(656.19)	-	-	-	1,387.50
Other deferred tax liabilities	(36.80)	1,792.37	(28.64)	-	-	1,726.93
Lease Liability	-	16.10	-	-	-	16.10
	979.45	15,041.12	(53.60)	187.39	-	16,154.36
MAT credit entitlement	9,883.50	10.36	-	-	-	9,893.86
Total	10,862.95	15,051.48	(53.60)	187.39	-	26,048.22

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

22: Deferred Tax Balances (Contd..)

Year ended 31 March 2019

Deferred tax assets/(liabilities) in relation to:

Particulars	(₹ in Lakhs)					
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against consolidation	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(7,565.47)	1,104.90	-	-	-	(6,460.57)
Government grant-deferred income	862.10	(64.53)	-	-	-	797.57
Straight lining of O & M revenue	(10,085.29)	(2,648.95)	-	-	-	(12,734.24)
Allowance for expected credit loss	357.80	244.60	-	-	-	602.40
Defined benefit obligations	345.94	56.58	(63.74)	-	-	338.78
Effects of measuring investments at fair value	(543.41)	(438.95)	-	-	-	(982.36)
Business loss	14,027.05	3,383.93	-	-	-	17,410.98
Other deferred tax assets	1,402.34	641.35	-	-	-	2,043.69
Other deferred tax liabilities	-	(66.01)	29.21	-	-	(36.80)
	(1,198.94)	2,212.92	(34.53)	-	-	979.45
MAT credit entitlement	9,841.83	41.67	-	-	-	9,883.50
Total	8,642.89	2,254.59	(34.53)	-	-	10,862.95

The group has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Group has executed long term Operation & maintenance contracts with the customers. Revenue in respect of such contracts will get recognised in future years as per the accounting policy of the group. Based on these contracts, the group has reasonable certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realize such assets in the near future. Accordingly, the group has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.

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 2020	
		(₹ in Lakhs)	Expiry date
Business Losses	2015-16	364.23	2022-23
	2016-17	451.81	2023-24
	2017-18	868.89	2025-26
	2018-19	1,112.46	2026-27
	2019-20	510.30	2027-28
Unabsorbed depreciation	2015-16	1.51	NA
	2016-17	2.00	NA
	2017-18	3.10	NA
	2018-19	2.64	NA
	2019-20	2.24	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.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

23 : Other liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Deferred income arising from government grants	933.59	1,292.05
Deferred liability for lease (Impact on account of adoption of Ind AS 116) (see Note 50)	168.53	-
Income received in advance	778.91	4,627.78
Total	1,881.03	5,919.83
Current		
Advances received from customers	118,724.57	35,355.22
Income received in advance	1,491.93	1,320.35
Statutory dues and taxes payable	5,451.69	3,388.10
Deferred income arising from government grants	357.49	357.49
Deferred liability for lease (Impact on account of adoption of Ind AS 116) (see Note 50)	39.97	-
Total	126,065.65	40,421.16

24: Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
From Banks		
Foreign currency loan:		
Supplier credit	4,891.58	17,176.99
Rupee loans:		
Working capital demand loans	16,959.63	5,915.33
Cash credit*	21,376.65	30,534.59
Others	1,033.45	829.50
Unsecured		
From others (interest free)	2,468.20	2,303.00
From others	4,297.77	-
From related parties		
Inter-corporate deposits from holding companies**	22,757.66	19,500.00
	73,784.94	76,259.41
Less: Amount Disclosed under Note 20 "Other current financial liabilities"		
Interest accrued	1,053.77	220.89
	1,053.77	220.89
Total	72,731.17	76,038.52

For terms of repayment and securities etc. see Note 51 (a)

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

**Inter-corporate deposit from holding company is unsecured, repayable on demand and carries interest in the range of @ 7.00-7.50% p.a.

For terms of repayment and securities etc., see Note 52A

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

25: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Trade payables:		
Total outstanding dues of micro enterprises and small enterprises	180.13	224.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	105,285.92	88,650.44
Total	105,466.05	88,875.19

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

(₹ in Lakhs)

Particulars	2019–2020	2018–2019
Principal amount due to suppliers under MSMED Act at the year end	180.13	224.75
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end	38.16	74.08
Payment made to suppliers (other than interest) beyond the appointed date during the year	160.55	579.26
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	7.76	18.89
Interest accrued and not paid to suppliers under MSMED Act up to the year end	332.47	286.55

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: Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Provision for Income tax (net of payments)	10.52	0.01
Total	10.52	0.01

27: Revenue from Operations

(₹ in Lakhs)

Particulars	2019–2020	2018–2019
Sale of products	35,542.80	122,431.68
Sale of services	39,800.14	20,777.33
Other operating revenue	675.56	535.32
Total	76,018.50	143,744.33

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

28: Other Income

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Interest income		
Interest income calculated using the effective interest method:		
On fixed deposits with banks	1,109.92	1,036.62
On Inter-corporate deposits (see Note 51)	167.76	1.71
On long term investment	87.24	-
Other interest income		
On Income tax refund	79.02	111.80
On others	6.09	6.34
	1,450.03	1,156.47
Other gains and losses		
Gain on investments carried at FVTPL	162.37	18.78
Net gain on foreign currency transactions and translation	(1,096.91)	335.97
Net gains/(losses) on derivatives	(281.68)	349.40
Gain on sale / disposal of property, plant and equipment	75.89	-
	(1,140.33)	704.15
Other non operating income		
Government grants – deferred income	358.46	363.81
Insurance claims	342.47	116.16
Other Income	29.94	-
	730.87	479.97
Total	1,040.57	2,340.59
Note:		
Realised gain during the year in respect of mutual funds and debentures	(0.03)	4.06

29: Cost of Materials Consumed

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Raw materials consumed	18,036.59	88,343.78
Total	18,036.59	88,343.78

30: EPC, O&M, Common Infrastructure Facility and Site Development Expenses

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Construction material consumed	3,453.43	1,359.56
Equipment & machinery hire charges	3,994.72	3,420.39
Subcontractor cost	8,796.90	5,036.22

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

30: EPC, O&M, Common Infrastructure Facility and Site Development Expenses (Contd..)

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Cost of lands	2,197.14	627.76
O&M repairs	2,259.05	2,209.95
Legal & professional fees & expenses	360.31	337.38
Stores and spares consumed	301.71	125.82
Rates & taxes and regulatory fees	169.55	442.87
Rent	279.13	366.46
Labour charges	238.39	121.25
Insurance	714.78	548.15
Security charges	1,111.35	1,300.46
Travelling & conveyance	1,323.64	1,771.51
Miscellaneous expenses	567.70	294.21
Total	25,767.80	17,961.99

31: Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Opening stock		
Finished goods	2,812.00	2,256.39
Work-in-progress	2,752.52	5,120.31
Project development, erection and commissioning work in progress	24,169.97	17,788.53
Common infrastructure facilities	382.41	382.40
	30,116.90	25,547.63
Less: Closing stock		
Finished goods	3,471.57	2,812.00
Work-in-progress	3,921.59	2,752.52
Project development, erection and commissioning work in progress	25,258.00	24,169.97
Common infrastructure facilities	382.41	382.41
	33,033.57	30,116.90
(Increase) / decrease in inventories	(2,916.67)	(4,569.27)

32: Employee Benefits Expense

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Salaries and wages	7,829.94	8,318.48
Contribution to provident and other funds	361.92	296.74
Gratuity	224.55	226.77
Staff welfare expenses	605.69	536.99
Total	9,022.10	9,378.98

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

33: Finance Costs

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Interest on financial liabilities carried at amortised cost		
Interest on borrowings	13,431.68	11,858.16
Other interest cost		
Interest on delayed payment of taxes	862.38	377.31
Other interest	5,059.12	527.11
Other borrowing costs	4,209.53	3,863.37
Net foreign exchange loss on borrowings (considered as finance cost)	814.35	314.27
	24,377.06	16,940.22
Less: Interest capitalized	-	79.24
Total	24,377.06	16,860.98

Note:

The capitalisation rate of funds borrowed is Nil (previous year 12% p.a.)

34: Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Depreciation of property, plant and equipment	7,401.58	6,004.42
Amortisation of intangible assets	628.50	601.57
Total	8,030.08	6,605.99

35: Other Expense

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Stores and spares consumed	33.36	50.73
Power and fuel	405.32	422.49
Freight outward	1,010.28	3,349.03
Insurance	244.84	276.55
Repairs to:		
Buildings	22.53	39.50
Plant and equipment	27.75	13.81
Others	45.75	71.51
Directors' sitting fees	12.40	18.20
Rent	89.93	147.18
Rates and taxes	42.95	15.56
Sales tax, VAT, Service tax, GST etc.	-	97.19
Travelling and conveyance	720.71	934.46
Legal and professional fees and expenses	744.67	679.29
Allowance for expected credit loss	18,738.66	705.93
Sales commission	27.23	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

35: Other Expense (Contd..)

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Royalty	127.96	1,105.27
Jobwork charges & labour charges	1,693.18	9,534.43
Testing charges	81.89	210.72
Crane and equipment hire charges	183.08	195.11
Bad debts remissions and Liquidated damages	30.00	547.58
Corporate Social Responsibility (CSR) expenditure (see Note 58)	-	127.25
Demurrage and detention charges	488.55	652.30
Business promotion & advertisement	68.21	105.99
Loss on sale / disposal of property, plant and equipment	-	19.80
Miscellaneous expenses	1,412.53	1,083.14
Total	26,251.78	20,403.02

36: Earnings per Share

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Profit/(loss) for the year (₹ in Lakhs)	(27,940.07)	(3,997.91)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	221,918,226	221,918,226
Nominal value of each share (in ₹)	10.00	10.00
Basic and Diluted earnings/(loss) per share (in ₹)	(12.59)	(1.80)

37: Capital Management

For the purpose of the Group 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 capital management objectives are:

- to ensure the Group 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	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Total debt	118,241.22	132,003.97
Less: Cash and bank balances (excluding bank deposits kept as lien)	1,774.18	1,458.80
Net debt	116,467.04	130,545.17
Total equity	168,564.03	196,486.66
Net debt to equity %	69.09%	66.44%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments

(i) Categories of Financial Instruments

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured as at FVTPL		
(a) Investments in mutual funds	2,443.97	2,153.58
Sub-total	2,443.97	2,153.58
Measured at amortised cost		
(a) Cash and bank balances	16,212.10	13,902.22
(b) Trade receivables	132,232.48	162,985.38
(c) Loans	9,397.16	1,395.07
(d) Other financial assets	44,009.04	37,762.67
(e) Investments	-	-
Sub-total	201,850.78	216,045.34
Measured at fair value through other comprehensive income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	-	-
Total financial assets	204,294.75	218,198.92
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Derivative instruments in designated hedge accounting relationship	-	529.23
Sub-total	-	529.23
Measured at amortised cost		
(a) Borrowings	118,241.22	132,003.97
(b) Trade payables	105,466.05	88,875.19
(c) Other financial liabilities	7,822.64	8,786.44
Sub-total	231,529.90	229,665.60
Measured at fair value through other comprehensive income (FVTOCI)		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	-	81.52
Total financial liabilities	231,529.90	230,276.35

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 corporate finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors of the Company, which provide principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed by the Company on a continuous basis. The Group does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

(iii) Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into the variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk including:

1. Interest rate swaps to mitigate the risk of rising interest rates
2. Principal only swaps, Currency Swaps, Options and forwards contracts to mitigate foreign currency risk of 'foreign currency borrowings and other payables in foreign currency.

(iv) (a) Foreign Currency Risk Management

The Group is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Group's approach to management of currency risk is to leave the Company with minimised residual risk.

The carrying amount of unhedged Foreign Currency (FC) denominated monetary liabilities at the end of the reporting period are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Liabilities		
In USD		
Short Term Borrowings	4,232.70	-
Trade Payable	7,337.14	11,260.59
USD Total	11,569.84	11,260.59
In EURO		
Short Term Borrowings	658.88	-
Trade Payable	4,483.83	1,285.29
EURO Total	5,142.71	1,285.29
In Other currencies		
Trade Payable	9,401.96	8,797.08
Others Total	9,401.96	8,797.08
Grand Total	26,114.51	21,342.96

The Group does not have any foreign currency monetary assets.

(iv) (b) Foreign Currency Sensitivity Analysis

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Group's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans and payables in currency other than the functional currency of the Group.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

A 10% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

(₹ in Lakhs)

Particulars	USD impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	752.69	1,163.51
Impact on total equity as at the end of the reporting period	752.69	1,163.51

(₹ in Lakhs)

Particulars	EURO impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	334.56	842.60
Impact on total equity as at the end of the reporting period	334.56	842.60

(₹ in Lakhs)

Particulars	CNY impact (net of tax)	
	2019-2020	2018-2019
Impact on profit or loss for the year	607.40	635.21
Impact on total equity as at the end of the reporting period	607.40	635.21

(v) Forward Foreign Exchange Contracts

The Group enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk.

Outstanding Contracts	Exchange Rate		Foreign currency (₹ in Lakhs)		Nominal amounts (₹ in Lakhs)		Fair value assets / (liabilities) ₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value hedges								
Principal only swaps (POS) contracts (Financial Liability)	-	68.93	-	45.98	-	3,169.67	-	199.73
Forward contracts								
USD	-	68.93	-	96.10	-	6,624.17	-	(97.03)
EUR	-	77.40	-	150.73	-	11,666.50	-	(676.87)
GBP	-	89.05	-	1.03	-	91.72	-	(0.68)
CNY	-	10.34	-	115.52	-	1,194.45	-	(35.89)

The line-items in the consolidated balance sheet that include the above hedging instruments are "other financial assets" and "other financial liabilities".

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

(vi) (a) 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, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

As per the Group's risk management policy to minimize the interest rate cash flow risk on foreign currency long term borrowings, interest rate swaps are taken for most of the borrowings to convert the variable interest rate risk into rupee fixed interest rate. Thus, there is no major interest rate risks associated with foreign currency long term borrowings. In respect of foreign currency short term borrowings and rupee loans the company does not have any borrowings at variable rate of interest.

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 2020 would decrease/increase by ₹ 125.55 Lakhs (net of tax) (for the year ended 31 March 2019 decrease/increase by ₹ 154.46 Lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(vi) (b) Interest Rate Swap Contract

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

Details of Interest Rate Swap Contracts outstanding at the end of reporting period:

Particulars	Average contracted fixed interest rate		Notional principal amount (₹ in Lakhs)		Fair value assets (liabilities) (₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Cash flows hedges						
RBL Bank	-	10.50%	-	1,622.00	-	(81.52)
1 to 5 year	-	-	-	1,622.00	-	(81.52)
Balance in the cash flow hedge reserve (net of tax)					-	(53.32)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

Net foreign exchange loss include gain of Nil (Previous Year: ₹ 87.66 Lakhs) transferred from cash flow hedge reserve for year ended 31 March 2020.

Net loss of derivative instruments of Nil (Previous Year: ₹ 53.32 Lakhs) recognised in hedging reserve as at 31 March 2020.

The interest rate swaps settle on quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the group's cash flow exposures resulting from variable interest rates on borrowing. The interest rate swaps and the interest payments on the borrowing occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that floating rate interest payments on debt affect profit or loss.

The line-items in the Consolidated balance sheet that include the above hedging instruments are "Other financial assets" and "Other financial liabilities".

(vii) Other Price Risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Group does not have investment in equity instruments, other than investments in subsidiaries and associates which are held for strategic rather than trading purposes. The Group does not actively trade these investments. The Group's investment in mutual funds are in debt funds. Hence the Group's exposure to equity price risk is minimal.

(viii) Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, 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 Group supplies wind turbine equipments to customers which are installed and commissioned generally by a group company and it involves various activities such as civil work, electrical & mechanical work and commissioning activities. The payment terms with customers are fixed as per industry norms. The above activities lead to certain amounts becoming due for payment on completion of related activities and commissioning. The Group considers such amounts as due only on completion of related milestones. However, the group has also long term operation and maintenance contract 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 2020 is ₹ 60,318.52 lakhs (as at 31 March 2019 of ₹ 76,792.75 lakhs) are due from 4 major customers (5 customers as at 31 March 2019) who are reputed parties. All trade receivables are reviewed and assessed for default at each reporting period.

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows and during the year the Group has changed the provision matrix considering the long term outstanding and credit risk.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

Expected Credit Losses (%)

Ageing	Expected credit losses (%)
	2019-2020
0-1 Year	1%
1-2 Year	5%
2-3 Year	10%
3-5 Year	15%
Above 5 Year	100%

Ageing	Expected credit losses (%)
	2018-2019
0-180 days	0.10%
181-365 days	0.50%
Above 365 days	1.50%

(₹ in Lakhs)

Age of receivables	As at 31 March 2020
0-1 Year	46,016.66
1-2 Year	32,178.05
2-3 Year	33,942.72
3-5 Year	31,686.70
Above 5 Year	8,893.81
Gross trade receivables	152,717.94

(₹ in Lakhs)

Age of receivables	As at 31 March 2019
0-180 days	27,251.71
181-365 days	48,617.37
Above 365 days	88,863.11
Gross trade receivables	164,732.19

Movement in the expected credit loss allowance :

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at beginning of the year	1,746.81	1,040.87
Movement in expected credit loss allowance	18,738.66	705.94
Balance at end of the year	20,485.46	1,746.81

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

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 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.

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

c) Other Financial Assets

Credit risk arising from investment in debt funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such investments.

Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity 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 and Interest Risk Table

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
As at 31 March 2020				
Borrowings	100,212.28	11,858.30	-	112,070.58
Trade payables	105,466.05	-	-	105,466.05
Other financial liabilities	13,810.61	182.67	-	13,993.28
Derivative financial liabilities	-	-	-	-
	219,488.93	12,040.97	-	231,529.90

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
As at 31 March 2019				
Borrowings	97,354.91	33,160.72	-	130,515.63
Trade payables	88,875.19	-	-	88,875.19
Other financial liabilities	10,092.11	182.67	-	10,274.78
Derivative financial liabilities	610.75	-	-	610.75
	196,932.96	33,343.39	-	230,276.35

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.

(ix) Fair Value of the Entity's Financial Assets and Financial Liabilities that are Measured at fair value on a recurring basis:

(₹ 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 2020	31 March 2019				
(a) Investment in Mutual funds (see Note 8)	Debt based mutual funds managed by various fund houses – aggregate fair value of ₹ 2,443.97 Lakhs	Debt based mutual funds managed by various fund houses – aggregate fair value of ₹ 2153.57 Lakhs	Level 2	The use of net asset value (NAV) for mutual fund on the basis of the statement received from investee party	NA	NA
(b) Forward foreign currency contracts (see Note 20)	Nil	Liability – ₹ 810.48	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(c) Principal only swaps designated in hedge accounting relationships (see Note 20)	Nil	Assets – ₹ 199.73 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(d) Interest rate swaps designated in hedge accounting relationships (see Note 18 and 20)	Nil	Liability – ₹ 81.52 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

38. Financial Instruments (Contd..)

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

(x) 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 Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

39. Employee Benefits:

(a) Defined Contribution Plans

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

Contribution to provident fund of ₹ 357.34 Lakhs (previous year ₹ 290.06 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 Group has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Group's defined benefit plan is unfunded.

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

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2020 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 :

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	519.90	526.38
Interest cost	38.64	37.67
Current service cost	185.91	189.11
Benefits paid	(60.06)	(50.83)
Actuarial (gain) / loss on obligations	(71.41)	(182.43)
Present value of obligation as at the year end	612.98	519.90

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

39. Employee Benefits: (Contd..)

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

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31 March 2020	As at 31 March 2019
Current service cost	185.91	189.10
Interest cost	38.64	37.67
Amount recognised in profit or loss	224.55	226.77
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	60.43	(5.40)
b) arising from experience adjustments	(131.85)	(177.04)
Amount recognised in other comprehensive income	(71.42)	(182.44)
Total	153.13	44.33

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

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	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 Group 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.

(₹ in Lakhs)

Particulars	Gratuity	
	2019-20	2018-2019
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(65.30)	(54.50)
If discount rate is decreased by 1%	78.36	65.29
If salary escalation rate is increased by 1%	74.76	62.78
If salary escalation rate is decreased by 1%	(63.62)	(53.43)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

39. Employee Benefits: (Contd..)

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.

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

(₹ in Lakhs)

Particulars	Gratuity	
	2019-20	2018-2019
Expected outflow in 1st Year	31.23	24.02
Expected outflow in 2nd Year	25.00	21.99
Expected outflow in 3rd Year	28.38	26.59
Expected outflow in 4th Year	38.49	29.11
Expected outflow in 5th Year	33.83	54.44
Expected outflow in 6th to 10th Year	265.04	199.07

The average duration of the defined benefit plan obligation at the end of the reporting period is in the range of 10.90 to 11 years.

C. Other Short Term and 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 2020 based on actuarial valuation carried out by using Projected accrued benefit method resulted in decrease in liability by ₹ 18.39 lakhs (previous year: decrease in liability by ₹ 14.05 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:

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	0.05	5.00%
Mortality rate	IALM(2012-14) Ultimate Mortality Table	IALM(2006-08) Ultimate Mortality Table

40: Contingent Liabilities

- (a) Claims against the Group not acknowledged as debts: claims made by contractors – ₹ 6,131.42 lakhs (as at 31 March 2019: ₹ 3,839.53 lakhs)

Some of the suppliers have raised claims including interest on account of non payment in terms of the respective contracts. The Group has contended that the supplier 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 four customers (as at 31 March 2019: five) for non-commissioning of WTGs, the amount is not ascertainable.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

40: Contingent Liabilities (Contd..)

- (c) Claims made by customers not acknowledged as debts ₹ 7,182 lakhs (as at 31 March 2019: ₹ 4,150.00 lakhs)
- (d) Claims made by vendors in National Gourp Law Tribunal (NCLT) for ₹ 1018.04 Lakhs.
- (e) In respect of VAT matters – ₹ 59.09 lakhs (as at 31 March 2019: ₹ 59.09 lakhs)

The Group had received orders for the financial years ended 31 March 2013 and 31 March 2014, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 lakhs for delayed payment of VAT. The Group had filed appeals before the first appellate authority. During the year ended 31 March 2015, the Group had received appellate order for the year ended 31 March 2014 confirming the levy of penalty and the Group has filed further appeal against the said order. However, the Group has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 lakhs and provision for the same was made during the year ended 31 March 2015. After adjusting the amount of ₹ 23.35 lakhs paid against the demands, the balance amount of ₹ 30.43 lakhs is carried forward as "Disputed sales tax liabilities (net of payments)" in note 21.

- (f) In respect of Service tax matter- ₹ 1,667.43 lakhs (as at 31 March 2019: ₹ 1,401.63 Lakhs)

The Group has received orders for the period September 2011 to March 2016, in respect of Service Tax, levying demand of ₹ 1401.63 lakhs on account of disallowance of exemption of Research & Development cess from payment of service tax. The Group has filed appeals before the first appellate authority. The Group has estimated the amount of demand which may be ultimately sustained at ₹ 32.19 lakhs and provision for the same is made during the previous year and carried forward as "Disputed service tax liabilities" in note 21.

Further the Group has received orders for the period April 2016 to March 2017, in respect of Service Tax, levying demand of ₹ 265.80 lakhs on account of advance revenue received on which service tax has been already paid in financial year 2015-16. Since Service Tax Liability has been already discharged on such advance revenue, The Group has filed appeals before CESTAT. The Group has paid ₹ 19.93 lakhs as pre deposit for filling of appeal.

- (g) In respect of Income tax matters – ₹ 4,594.59 lakhs (as at 31 March 2019: ₹ 4,014.44 Lakhs)

This includes demand for assessment year 2013-14 received in the current year by the holding Group, mainly on account of reduction in the amount of tax incentive claimed, which is being contested before the first appellate authority.

Further the Group has received orders for the period Assessment Year 2016-17, in respect of Income Tax, levying demand of ₹ 580.15 lakhs on account of addition in income without considering the modus operandi of the business of the group. The Group has filed appeal before commissioner of Income Tax (CIT Appeals) The Group has paid ₹ 10.00 lakhs under protest.

- (h) In respect of Labour Cess under Building Other Construction Workers Act, 1966 – ₹ 61.11 Lakhs (as at 31 March 2019: ₹ 61.11 Lakhs)

The Group has received the order for the financial year ended 31 March 2015, 31 March 2016 in respect of Labour Cess on construction work at Relwa Khurd MP plant.

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

41: Capital and Other Commitments

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 7,586.39 Lakhs, (31 March 2019: ₹ 4,758.72 Lakhs).
- b) Amount of customs duty exemption availed by the Gourp under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period ₹ 2,651.54 Lakh (as at 31 March 2019 ₹ 2,651.54 Lakhs). The Gourp has recognised deferred

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

41: Capital and Other Commitments (Contd..)

grant income under EPCG scheme upto the Financial year ending 31 March 2020 amounting to ₹ 1,465.80 lakhs (previous year ₹ 1,111.38 lakhs) against which export obligation is yet to fulfilled by the Gourp.

- c) Bank guarantees issued by the Group to its customers for ₹ 58,093.00 lakhs (as at 31 March 2019 ₹ 88,422.22 lakhs).

42: Impact of COVID-19

Due to outbreak of COVID-19 globally and in India, the Group's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the group is in the business of Manufacturing of Wind Turbine Generator which fall under the Renewable Energy sector being the priority sector, the management believes that the impact of this outbreak on the business and financial position of the Group will not be significant. The management does not see any risks in the group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The group has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the group expects to recover the carrying amount of trade receivables including unbilled receivables, investments, inventories and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

43: Balance Confirmation

The Group 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 party's 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.

44: Note on Advance Received from Customers

- a. During the year, the Group has signed supply contracts for 125.4 MW Wind power projects of 38 Nos of 3300 KW WTG (Model WT3000DF) in the State of Gujarat with Gujarat Fluorochemicals Limited (GFCL). The Group has received the interest bearing advance of ₹ 87,117.80 Lakhs against the contracts. The Group is in process of fulfilment of the terms and conditions of the contracts.
- b. During the year, the Group has signed supply contracts for 250 MW Wind power project of 125 Nos of 2000 KW WTG (model DF/2000/113) with continuum Power Trading (TN) Private Limited. The Group has received the advance of ₹ 3,650.00 Lakhs against the contracts. The Group is in process of fulfillment of the terms and conditions of the contracts.

45: Group has work-in-progress inventory amounting ₹ 13,874.43 Lakh for project development, erection & commissioning work and Common infrastructure facilities in different states. The respective State Governments are yet to announce the policy on Wind Farm Development. In the view of the management, the Group will be able to realise the Inventory on execution of projects once Wind Farm Development policy is announced by respective State Governments.

46: The Group has policy to recognise revenue from operations & maintenance (O&M) over the period of the contract on a straight-line basis. The Group has recognised revenue amounting to ₹ 1,189.87 Lakhs related to O&M contract signed during the year due to uncertainty of realization in earlier periods. Further O&M agreement of 303 WTGs has been cancelled with different customers and the Group's management expects no material adjustments on the Consolidated Financial Statements since all the common infrastructure O&M remains with the Group.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

47: 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 manufacturing and sale of Wind Turbine Generators (WTG's) including Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M"), 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.

Two customers contributed more than 10% of the total Group's revenue amounting to ₹ 28,931.91 lakhs (as at 31 March 2019: five customers amounting to ₹ 104,105.20 lakhs).

48: 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 Group has only one reportable business segment, no reconciliation of the disaggregated revenue is required:

Reportable segment/Manufacture of Wind Turbine

Particulars	₹ in Lakhs	
	2019-2020	2018-2019
Major Product/ Service Lines		
Sale of goods	35,542.80	122,431.68
Sale of services	39,800.14	20,777.33
Others	675.56	535.32
Total	76,018.50	143,744.33

(B) Contract balances

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

49: Income Tax Recognised in Statement of Profit and Loss

Particulars	₹ in Lakhs	
	2019-2020	2018-2019
Current tax		
In respect of the current year	10.36	41.67
Minimum Alternate Tax (MAT) credit	(10.36)	(41.67)
In respect of the earlier years	-	-
	-	-
Deferred tax		
In respect of the current year	(15,041.12)	(2,212.92)
In respect of the earlier years	0.24	-
	(15,040.88)	(2,212.92)
Total income tax expense recognised in the current year	(15,040.88)	(2,212.92)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

49: Income Tax Recognised in Statement of Profit and Loss (Contd..)

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

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Profit before tax	(42,980.95)	(6,210.83)
Income tax expense calculated at 34.944% (2018-2019: 34.944%)	(15,019.26)	(2,170.31)
Tax incentives	-	-
Effect of expenses that are not deductible in determining taxable profits	25.48	0.20
Deferred tax on losses of subsidiaries not recognised	-	-
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 34.944%	-	-
Others	(47.34)	(42.81)
	(15,041.12)	(2,212.92)
Taxation pertaining to earlier years	0.24	-
Income tax expense recognised in statement of profit and loss	(15,040.88)	(2,212.92)

The tax rate used for the year ended 31 March 2020 and 31 March 2019 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.

50: Leases

Group as a lessee

- (a) The Group's significant leasing arrangements are in respect of leasehold lands. The Group has also taken certain commercial premises on lease.

Effective 01 April, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. The Group is not required restate the comparative information.

- (b) On transition to Ind AS 116, the opening balances in 'Prepayment - leasehold lands' are reclassified as right-to-use assets.

The following is the summary of practical expedients elected on initial application:

- 1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- 2) Applied the exemption not to recognize right-of-use assets and liabilities for leases expiring within 12 months of lease term on the date of initial application.
- 3) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- 4) Applied the practical expedient to apply Ind AS 116 to the contracts that were previously identified as leases applying Ind AS 17: Leases and hence not reassessed whether a contract is, or contains, a lease at the date of the initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2019 is 12% p.a.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at 31 March, 2019, discounted to the present value at the date of initial application of Ind AS 116, and the value of the lease liability as at 01 April, 2019, is on account of exclusion of short term leases.

The effect of adoption of Ind AS 116 on the line items in the financial statements, profit before tax, profit for the period and earnings per share is not significant. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

50: Leases

(c) Particulars of right-to-use assets and lease liabilities:

i. Carrying Value of Right-of-use Assets by Class of Underlying Assets:

(₹ in Lakhs)

Particulars	As at 31 March 2020		
	Buildings	Land-leasehold	Total
On recognition and reclassification as at 01 April, 2019	-	-	-
Addition for the year	185.03	4,532.78	4,717.81
Depreciation for the year	43.54	162.45	205.98
Balance as at 31 March 2020	141.49	4,370.34	4,511.83

ii. Movement in Lease Liability during Year ended:

(₹ in Lakhs)

Particulars	As at 31 March 2020
On recognition as at 01 April, 2019	-
Additions during the year	246.20
Deletions	-
Interest on lease liabilities	29.55
Payment of lease liabilities	(67.25)
Balance as at 31 March 2020	208.50

iii. Contractual Maturities of lease Liabilities as at Reporting Date on an Undiscounted Basis:

(₹ in Lakhs)

Particulars	As at 31 March 2020
Maturity analysis – contractual undiscounted cash flows:	
Less than one year	67.25
One to five years	109.78
More than five years	131.47
Total undiscounted lease liabilities	308.50

iv. Amount Recognized in Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	As at 31 March 2020
Interest on lease liabilities	29.55
Included in rent expenses: Expense relating to short-term leases	363.75

v. Amounts Recognised in the Statement of Cash Flows:

(₹ in Lakhs)

Particulars	As at 31 March 2020
Total cash outflow for leases	394.48

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures:

i. Where Control Exists

Holding Company

GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)

Ultimate Holding (Holding of GFL Limited)

Inox Leasing and Finance Limited

Associates of IWISL

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

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

Key Management Personnel (KMP)

Mr. Devansh Jain – Whole Time Director

Mr. Rajeev Gupta – Whole-time director (upto 18 May 2018)

Mr. Kailash Lal Tarachandani- Whole-time director & CEO (as a Whole-time director upto 18 May 2020)

Mr. Vineet Valentine Davis – Whole-time director (w.e.f 19 May 2020)

Ms. Bindu Saxena – Non Executive Director

Mr. Chandra Prakash Jain – Non Executive Director (upto 20 October 2019)

Mr. Deepak Asher – Non Executive Director (upto 31 March 2019)

Mr. Vineet Valentine Davis-Whole-time director in Inox Wind Infrastructure Services Limited (upto 18 May 2020)

Mr. Vineet Valentine Davis – Non Executive Director in Inox Wind Infrastructure Services Limited (w.e.f. 19 May 2020)

Mr. Mukesh Manglik – Non Executive Director in Inox Wind Infrastructure Services Limited (upto 18 May 2020)

Mr. Mukesh Manglik – Whole-time director in Inox Wind Infrastructure Services Limited (w.e.f. 19 May 2020)

Mr. Shanti Prashad Jain – Non Executive Director

Mr. Siddharth Jain – Non Executive Director

Mr. V. Sankaranarayanan – Non Executive Director

Mr. Manoj Dixit-Whole-time 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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

Fellow Subsidiaries

Inox Renewables Limited (IRL) – Subsidiary of GFL Limited

Gujarat Fluorochemicals Limited (GFCL) (Earlier known as Inox Fluorochemicals Limited)

Inox Renewables (Jaisalmer) Limited (IRJL) – Subsidiary of IRL #

Inox Leisure Limited (ILL) – Subsidiary of GFL Limited

Inox Wind Energy Limited (incorporated on 06 March 2020)

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

** IWISL has entered into various binding agreements with the 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.

IRJL 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.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

The following table summarizes related-party transactions and balances included in the consolidated financial statements:

A) Transactions During the Year:

Particulars	Holding Company		Fellow subsidiaries		Associates		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	(₹ in Lakhs)							
Sales								
GFL Limited	-	793.36	-	-	-	-	-	793.36
Gujarat Fluorochemicals Limited	-	-	771.93	-	-	-	771.93	-
Inox Renewables Limited	-	-	652.14	17,492.16	-	-	652.14	17,492.16
Wind One Renergy Private Limited	-	-	-	-	5,649.66	-	5,649.66	-
Wind Two Renergy Private Limited	-	-	-	-	6,216.06	24,361.90	6,216.06	24,361.90
Wind Three Renergy Private Limited	-	-	-	-	1,780.11	3,393.22	1,780.11	3,393.22
Wind Four Renergy Private Limited	-	-	-	-	11,928.57	6,190.48	11,928.57	6,190.48
Wind Five Renergy Private Limited	-	-	-	-	18,035.11	12,542.86	18,035.11	12,542.86
Total	-	793.36	1,424.07	17,492.16	43,609.51	46,488.46	45,033.58	64,773.98
Sales of Assets								
Gujarat Fluorochemicals Limited	-	-	2,062.02	-	-	-	2,062.02	-
Total	-	-	2,062.02	-	-	-	2,062.02	-
Sales return								
Inox Renewables Limited	-	-	4,775.24	-	-	-	4,775.24	-
Total	-	-	4,775.24	-	-	-	4,775.24	-
Purchase of goods and services								
Inox Renewables Limited	-	-	11,495.24	87.50	-	-	11,495.24	87.50
Total	-	-	11,495.24	87.50	-	-	11,495.24	87.50
Interest received								
Wind One Renergy Private Limited	-	-	-	-	0.05	0.04	0.05	0.04
Wind Two Renergy Private Limited	-	-	-	-	-	0.10	-	0.10
Wind Three Renergy Private Limited	-	-	-	-	8.32	1.35	8.32	1.35
Wind Four Renergy Private Limited	-	-	-	-	99.69	0.10	99.69	0.10
Wind Five Renergy Private Limited	-	-	-	-	59.69	0.10	59.69	0.10
Wind Four Renergy Private Limited – On NCD	-	-	-	-	19.91	-	19.91	-
Wind Five Renergy Private Limited – On NCD	-	-	-	-	67.33	-	67.33	-
Total	-	-	-	-	254.99	1.69	254.99	1.69

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	(₹ in Lakhs)							
Interest paid								
GFL Limited – On Inter corporate deposit	1,809.58	813.85	-	-	-	-	1,809.58	813.85
Inox Leasing and Finance Limited – On Inter corporate deposit	29.71	-	-	-	-	-	29.71	-
Gujarat Fluorochemicals Limited – On Advance	-	-	4,805.89	-	-	-	4,805.89	-
Total	1,839.29	813.85	4,805.89	-	-	-	6,645.18	813.85
Guarantee Charges paid								
GFL Limited	245.77	918.94	-	-	-	-	245.77	918.94
Gujarat Fluorochemicals Limited	-	-	328.38	-	-	-	328.38	-
Total	245.77	918.94	328.38	-	-	-	574.15	918.94
Reimbursement of expenses paid/ payment made on behalf of the Group								
GFL Limited	-	428.19	-	-	-	-	-	428.19
Gujarat Fluorochemicals Limited	-	-	159.53	-	-	-	159.53	-
Inox Renewables Limited	-	-	29.76	14.78	-	-	29.76	14.78
Total	-	428.19	189.29	14.78	-	-	189.29	442.97
Rent Paid								
GFL Limited	-	72.54	-	-	-	-	-	72.54
Gujarat Fluorochemicals Limited	-	-	75.56	-	-	-	75.56	-
Total	-	72.54	75.56	-	-	-	75.56	72.54
Reimbursement of expenses received/ payment made on behalf by the Group								
Gujarat Fluorochemicals Limited	-	-	527.18	-	-	-	527.18	-
Inox Renewables Limited	-	-	39.20	5.43	-	-	39.20	5.43
Total	-	-	566.38	5.43	-	-	566.38	5.43
Advance received against sale of goods/ services								
GFL Limited	-	17,310.00	-	-	-	-	-	17,310.00
Gujarat Fluorochemicals Limited	-	-	87,188.58	-	-	-	87,188.58	-
Wind Four Renergy Private Limited	-	-	-	-	1,143.76	-	1,143.76	-
Total	-	17,310.00	87,188.58	-	1,143.76	-	88,332.34	17,310.00

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	(₹ in Lakhs)							
Inter-corporate deposits taken								
GFL Limited	515.00	23,750.00	-	-	-	-	515.00	23,750.00
Inox Leasing and Finance Limited	2,500.00	-	-	-	-	-	2,500.00	-
Total	3,015.00	23,750.00	-	-	-	-	3,015.00	23,750.00
Inter-corporate deposits refunded								
GFL Limited	530.00	4,250.00	-	-	-	-	530.00	4,250.00
Total	530.00	4,250.00	-	-	-	-	530.00	4,250.00
Inter corporate deposits given								
Wind One Renergy Private Limited	-	-	-	-	0.04	0.11	0.04	0.11
Wind Three Renergy Private Limited	-	-	-	-	20.83	51.44	20.83	51.44
Wind Four Renergy Private Limited	-	-	-	-	7,178.87	-	7,178.87	-
Wind Five Renergy Private Limited	-	-	-	-	650.26	-	650.26	-
Total	-	-	-	-	7,850.00	51.55	7,850.00	51.55
Inter corporate deposits received back								
Wind Two Renergy Private Limited	-	-	-	-	-	0.85	-	0.85
Wind Four Renergy Private Limited	-	-	-	-	-	0.85	-	0.85
Wind Five Renergy Private Limited	-	-	-	-	-	0.85	-	0.85
Total	-	-	-	-	-	2.55	-	2.55
Debenture Redemption								
Wind Four Renergy Private Limited - On NCD	-	-	-	-	6,567.00	-	6,567.00	-
Wind Five Renergy Private Limited - On NCD	-	-	-	-	3,979.00	-	3,979.00	-
Total	-	-	-	-	10,546.00	-	10,546.00	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

B) Outstanding Balances as at End of the Year:

Particulars	Holding Company		Fellow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019						
i) Amounts Payable								
Advance from customers								
GFL Limited	27,070.00	26,598.70	-	-	-	-	27,070.00	26,598.70
Gujarat Fluorochemicals Limited	-	-	87,188.58	-	-	-	87,188.58	-
Wind Four Renergy Private Limited	-	-	-	-	1,143.76	1,571.87	1,143.76	1,571.87
Total	27,070.00	26,598.70	87,188.58	-	1,143.76	1,571.87	115,402.34	28,170.57
Trade and other payables								
Inox Renewables Limited *	-	-	332.69	2,150.00	-	-	332.69	2,150.00
Gujarat Fluorochemicals Limited	-	-	391.54	-	-	-	391.54	-
GFL Limited	1,428.50	1,351.82	-	-	-	-	1,428.50	1,351.82
Total	1,428.50	1,351.82	724.23	2,150.00	-	-	2,152.73	3,501.82
Inter-Corporate deposit Payable								
GFL Limited	19,485.00	19,500.00	-	-	-	-	19,485.00	19,500.00
Inox Leasing and Finance Limited	2,500.00	-	-	-	-	-	2,500.00	-
Total	21,985.00	19,500.00	-	-	-	-	21,985.00	19,500.00
Interest payable on inter-corporate deposits taken								
GFL Limited	745.89	-	-	-	-	-	745.89	-
Inox Leasing and Finance Limited	26.74	-	-	-	-	-	26.74	-
Total	772.64	-	-	-	-	-	772.64	-
Interest payable on account of Advances & Corporate guarantee								
Gujarat Fluorochemicals Limited- Interest on Advance	-	-	4,712.82	-	-	-	4,712.82	-
Total	-	-	4,712.82	-	-	-	4,712.82	-
ii) Amount Receivable								
Trade and other receivable								
GFL Limited	-	185.58	-	-	-	-	-	185.58
Gujarat Fluorochemicals Limited	-	-	2,996.18	-	-	-	2,996.18	-

(₹ in Lakhs)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019						
	(₹ in Lakhs)							
Inox Renewables Limited	-	-	2,873.14	18,036.12	-	-	2,873.14	18,036.12
Wind One Renergy Private Limited	-	-	-	-	3,483.72	-	3,483.72	-
Wind Two Renergy Private Limited	-	-	-	-	6,105.60	5,180.00	6,105.60	5,180.00
Wind Four Renergy Private Limited	-	-	-	-	10,953.13	-	10,953.13	-
Wind Three Renergy Private Limited	-	-	-	-	679.38	3,504.19	679.38	3,504.19
Wind Five Renergy Private Limited	-	-	-	-	-	3,090.00	-	3,090.00
Total	-	185.58	5,869.32	18,036.12	21,221.83	11,774.19	27,091.15	29,995.89
Inter-Corporate deposit receivable								
Wind One Renergy Private Limited	-	-	-	-	0.45	0.41	0.45	0.41
Wind Three Renergy Private Limited	-	-	-	-	72.57	51.74	72.57	51.74
Wind Four Renergy Private Limited	-	-	-	-	7,178.87	-	7,178.87	-
Wind Five Renergy Private Limited	-	-	-	-	650.26	-	650.26	-
Total	-	-	-	-	7,902.15	52.15	7,902.15	52.15
Interest accrued on inter-corporate deposits given								
Wind One Renergy Private Limited	-	-	-	-	0.12	0.06	0.12	0.06
Wind Three Renergy Private Limited	-	-	-	-	8.73	0.18	8.73	0.18
Wind Four Renergy Private Limited	-	-	-	-	89.72	-	89.72	-
Wind Five Renergy Private Limited	-	-	-	-	53.72	-	53.72	-
Total	-	-	-	-	152.29	0.24	152.28	0.24

*Adjusted income received in advance Rs.350.49 lakhs

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

51: Related Party Disclosures: (Contd..)

C) Guarantees

GFL Limited ("GFL") (earlier known as Gujarat Fluorochemicals Limited), the holding company, has issued guarantee and provided security in respect of borrowings by the Group. The outstanding balances of such borrowings as at 31 March 2020 is ₹ 31,900.00 lakh. (31 March 2019 is ₹ 50,383.00 lakhs). Further GFL Limited has issued performance Bank guarantee as at 31 March 2020 is ₹ 1,087.00 Lakhs.

Gujarat Fluorochemicals Limited (GFCL) (earlier known as Inox Fluorochemicals Limited), the fellow Subsidiary company, has issued guarantee and provided security in respect of borrowings by the Group. The outstanding balances of such borrowings as at 31 March 2020 is ₹ 39,706.16 lakh. Further Gujarat Fluorochemicals Limited has issued performance Bank guarantee as at 31 March 2020 is ₹ 2,087.00 Lakhs.

Notes:

- Sales, purchases and service transactions with related parties are made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts/provision of goods and services.
- No expense has been recognised for the year ended 31 March 2020, 31 March 2019 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no other guarantees received or provided for any related party receivables or payables.
- Compensation of Key management personnel:

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Remuneration paid:		
Mr. Devansh Jain	92.64	92.64
Mr. Rajeev Gupta	-	9.99
Mr. Kailash Lal Tarachandani	147.11	128.53
Mr. Manoj Dixit	33.43	28.11
Mr. Vineet Valentine Davis	42.01	40.79
Sitting fees paid to directors	12.40	15.20
Total	327.59	315.26

	(₹ in Lakhs)	
Particulars	2019-2020	2018-2019
Short term benefits	315.19	300.06
Post employment benefits*	-	-
Long term employment benefits*	-	-
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	12.40	15.20
Total	327.59	315.26

*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 ₹ 12.10 lakhs (previous year ₹ 12.37 lakhs) included in the amount of remuneration reported above.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

52: Terms of Repayment and Securities for Non-current Borrowings

a) Debentures (Secured):

- i) 3000 non convertible redeemable debentures of ₹ 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:

(₹ in Lakhs)	
Month	Principal
25 September, 2020	5,000.00
Total	5,000.00

The above debentures are secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of Inox Wind Infrastructure Services Limited 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 @ 9.75% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)	
Month	Principal
August-20	5,056.16
Total	5,056.16

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 @ 9.85% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)	
Month	Principal
July-20	2,000.00
January-21	2,500.00
July-21	2,500.00
Total	7,000.00

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 @ 10.50% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)	
Month	Principal
April-20	300.00
July-20	550.00
October-20	550.00

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

52: Terms of Repayment and Securities for Non-current Borrowings (Contd..)

(₹ in Lakhs)

Month	Principal
January-21	550.00
April-21	550.00
July-21	700.00
October-21	700.00
January-22	700.00
April-22	700.00
July-22	800.00
October-22	800.00
January-23	800.00
April-23	800.00
July-23	400.00
Total	8,900.00

e) Rupee Term Loan from IndusInd Bank Ltd:

Rupee term loan is taken from IndusInd Bank 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 @ 9.75% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Month	Principal
June-20	400.00
September-20	400.00
December-20	400.00
March-21	400.00
June-21	400.00
September-21	500.00
December-21	500.00
March-22	500.00
June-22	500.00
September-22	500.00
Total	4,500.00

f) Short term loan from Arka Fincap Limited:

Short term loan is taken from Arka Fincap Limited by second pari passu charges on the current assets, cash flows and receivables both present & Future of the company and carries interest @ 12.5% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Month	Principal
June-20	750.00
September-20	3,500.00
Total	4,250.00

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

52: Terms of Repayment and Securities for Non-current Borrowings (Contd..)

g) Other Term Loans:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Foreign currency term loan from Bank is secured by first pari-passu charge by way of hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @ 10.25% p.a and is repayable in 18 quarterly installments starting from 30 October 2015.	-	1,490.18
Foreign currency term loan from Bank is secured by first pari-passu charge by hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area and carries interest @10.50% p.a and repayable in 12 quarterly installments starting from 10 February 2017	-	1,679.50
Rupee term loan from Bank is secured by First exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants, carries interest @ 11.30% p.a. and is repayable in 20 quarterly installments starting from 30 September 2014.	-	125.00
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of INR 3.0 million), carries interest @ 9.10% to 10.38% p.a. and is repayable in 20 quarterly installments starting from 30 June 2017. The loan has been classified as current liability pursuant to the terms of sanction letter.	8,911.19	11,888.74
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly installments starting from 03 March 2017.	56.51	71.70
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 9.48% p.a. The loan is repayable in 36 monthly installments starting from 04 March 2020.	54.44	-

52A: Terms of Repayment and Securities for Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Supplier's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.38% to 0.95%.	4,891.58	17,114.32
Working capital demand loan from bank is secured by first pari-passu charge on the current assets of the Company and carries interest in the range of 9.95% - 14.00% p.a)	16,895.63	5,900.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range on 10% -13.69% p.a.	11,731.46	30,391.90
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carried interest rate in the range of 8.75% p.a.	1,033.45	829.50

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

53: Details of Subsidiaries

Details of the Group's Subsidiaries are as follows:

(₹ in Lakhs)

Name of subsidiary	Place of incorporation and operations	Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2020	As at 31 March 2019
Inox Wind Infrastructure Services Limited (IWISL)	India	100.00%	100.00%
Waft Energy Private Limited	India	100.00%	100.00%
Subsidiaries of IWISL:			
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 Private Limited	India	100.00%	100.00%
Ravapar Wind Energy Private Limited	India	100.00%	100.00%
Khatiyu Wind Energy Private Limited	India	100.00%	100.00%
Sri Pavan Energy Private Limited	India	51.00%	51.00%
Resco Global Wind Service Private Limited	India	100.00%	0.00%
Associates of IWISL:			
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%	100.00%
Wind Three Renergy Private Limited	India	100.00%	100.00%

Inox Wind Infrastructure Services Limited (IWISL) is engaged in the business of providing EPC, O&M, Common Infrastructure Facilities services for WTGs and development of wind farms.

All subsidiaries and associates of IWISL are engaged in either the business of providing wind farm development services or generation of wind energy.

The financial year of the above companies is 01 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 & 51 in respect of particulars of subsidiary companies which have become 'associate' on cessation of control during the year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

54: Disclosure of Additional Information as Required by the Schedule III:

(A) As at and for the year ended 31 March 2020:

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 (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
Parent								
Inox Wind Limited	105.86%	178,440.54	81.29%	(22,711.18)	78.56%	78.38	81.30%	(22,632.80)
Subsidiaries (Group's share)								
Indian								
Waft Energy Private Limited	0.00%	(0.20)	0.00%	(0.65)	0.00%	-	0.00%	(0.65)
Inox Wind Infrastructure Services Limited	4.71%	7,942.27	20.58%	(5,750.13)	21.44%	21.39	20.58%	(5,728.74)
Marut Shakti Energy India Limited	(1.13%)	(1,901.75)	0.88%	(245.67)	0.00%	-	0.88%	(245.67)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.07%)	(123.34)	0.06%	(15.90)	0.00%	-	0.06%	(15.90)
Sarayu Wind Power (Kondapuram) Private Limited	(0.04%)	(59.24)	0.06%	(15.78)	0.00%	-	0.06%	(15.78)
Satviki Energy Private Limited	0.04%	75.09	0.00%	(1.23)	0.00%	-	0.00%	(1.23)
Vinirmaa energy generation Private Limited	(0.08%)	(140.23)	0.10%	(26.72)	0.00%	-	0.10%	(26.72)
RBRK Investments Limited	(0.85%)	(1,424.44)	0.74%	(207.05)	0.00%	-	0.74%	(207.05)
Ripudaman Urja Private Limited	(0.00%)	(1.84)	0.00%	(0.76)	0.00%	-	0.00%	(0.76)
Suswind Power Private Limited	(0.01%)	(24.93)	0.03%	(8.00)	0.00%	-	0.03%	(8.00)
Vasuprada Renewables Private Limited	(0.00%)	(2.00)	0.00%	(0.80)	0.00%	-	0.00%	(0.80)
Vibhav Energy Private Limited	(0.00%)	(2.85)	0.01%	(1.53)	0.00%	-	0.01%	(1.53)
Haroda Wind Energy Private Limited	(0.00%)	(1.15)	0.00%	(0.72)	0.00%	-	0.00%	(0.72)
Vigodi Wind Energy Private Limited	(0.00%)	(1.11)	0.00%	(0.71)	0.00%	-	0.00%	(0.71)
Aliento Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.75)	0.00%	-	0.03%	(7.75)
Tempest Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	0.00%	-	0.03%	(7.74)
Flurry Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	0.00%	-	0.03%	(7.74)
Vuelta Wind Energy Private Limited	(0.01%)	(21.14)	0.03%	(7.90)	0.00%	-	0.03%	(7.90)
Flutter Wind Energy Private Limited	(0.02%)	(25.94)	0.03%	(8.07)	0.00%	-	0.03%	(8.07)
Nani Virani Wind Energy Private Limited(*)	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
Ravapar Wind Energy Private Limited(*)	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
Khatiyu Wind Energy Private Limited(*)	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

54: Disclosure of Additional Information as Required by the Schedule III: (Contd..)

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 (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
Sri Pavan Energy Private Limited	(0.01%)	(15.16)	-0.23%	63.44	0.00%	-	-0.23%	63.44
Resco Global Wind Service Private Limited	(0.01%)	(15.45)	0.06%	(16.45)	0.00%	-	0.06%	(16.45)
Non-controlling Interest in subsidiaries	(0.00%)	(7.43)	-0.11%	31.09	0.00%	-	-0.11%	31.09
Associates								
Wind Two Renergy Private Limited	0.00%	-	-0.01%	2.91	0.00%	-	-0.01%	2.91
Wind Four Renergy Private Limited	0.00%	-	-0.01%	2.61	0.00%	-	-0.01%	2.61
Wind Five Renergy Private Limited	0.00%	-	-0.06%	16.36	0.00%	-	-0.06%	16.36
Wind One Renergy Private Limited	0.00%	-	0.00%	1.00	0.00%	-	0.00%	1.00
Wind Three Renergy Private Limited	0.00%	-	0.00%	1.00	0.00%	-	0.00%	1.00
Consolidation eliminations / adjustments	-8.35%	(14,066.31)	(3.53%)	987.49	0.00%	-	(3.55%)	987.49
Total	100.00%	168,556.60	100.00%	(27,940.07)	100.00%	99.77	100.00%	(27,840.30)

(*) See Note 7 & Note 51

(B) As at and for the year ended 31 March 2019:

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 (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
Parent								
Inox Wind Limited	102.36%	201,081.83	-3.14%	125.69	10.35%	6.66	-3.36%	132.35
Subsidiaries (Group's share)								
Indian								
Waft Energy Private Limited	0.00%	0.44	0.01%	(0.56)	0.00%	-	0.01%	(0.56)
Inox Wind Infrastructure Services Limited	1.89%	3,713.75	143.05%	(5,718.93)	89.65%	57.71	143.92%	(5,661.22)
Marut Shakti Energy India Limited	(0.84%)	(1,656.08)	7.16%	(286.11)	0.00%	-	7.27%	(286.11)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.05%)	(107.44)	0.67%	(26.81)	0.00%	-	0.68%	(26.81)
Sarayu Wind Power (Kondapuram) Private Limited	(0.02%)	(43.46)	0.40%	(15.83)	0.00%	-	0.40%	(15.83)
Satviki Energy Private Limited	0.04%	76.32	0.04%	(1.42)	0.00%	-	0.04%	(1.42)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

54: Disclosure of Additional Information as Required by the Schedule III: (Contd..)

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 (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
Vinirmaa energy generation Private Limited	(0.06%)	(113.51)	0.55%	(21.89)	0.00%	-	0.56%	(21.89)
RBRK Investments Limited	(0.62%)	(1,217.39)	19.08%	(763.00)	0.00%	-	19.40%	(763.00)
Ripudaman Urja Private Limited	(0.00%)	(1.08)	0.02%	(0.91)	0.00%	-	0.02%	(0.91)
Suswind Power Private Limited	(0.01%)	(16.93)	0.42%	(16.76)	0.00%	-	0.43%	(16.76)
Vasuprada Renewables Private Limited	(0.00%)	(1.20)	0.03%	(1.02)	0.00%	-	0.03%	(1.02)
Vibhav Energy Private Limited	(0.00%)	(1.32)	0.03%	(1.35)	0.00%	-	0.03%	(1.35)
Haroda Wind Energy Private Limited	(0.00%)	(0.43)	0.02%	(0.87)	0.00%	-	0.02%	(0.87)
Vigodi Wind Energy Private Limited	(0.00%)	(0.40)	0.02%	(0.87)	0.00%	-	0.02%	(0.87)
Aliento Wind Energy Private Limited	(0.01%)	(13.33)	0.35%	(13.96)	0.00%	-	0.35%	(13.96)
Tempest Wind Energy Private Limited	(0.01%)	(13.34)	0.35%	(13.96)	0.00%	-	0.35%	(13.96)
Flurry Wind Energy Private Limited	(0.01%)	(13.34)	0.35%	(13.96)	0.00%	-	0.35%	(13.96)
Vuelta Wind Energy Private Limited	(0.01%)	(13.24)	0.35%	(13.86)	0.00%	-	0.35%	(13.86)
Flutter Wind Energy Private Limited	(0.01%)	(17.87)	0.46%	(18.48)	0.00%	-	0.47%	(18.48)
Nani Virani Wind Energy Private Limited	(0.00%)	(0.02)	0.02%	(0.67)	0.00%	-	0.02%	(0.67)
Ravapar Wind Energy Private Limited	(0.00%)	(0.02)	0.02%	(0.67)	0.00%	-	0.02%	(0.67)
Khatiyu Wind Energy Private Limited	(0.00%)	(0.02)	0.02%	(0.67)	0.00%	-	0.02%	(0.67)
Sri Pavan Energy Private Limited	(0.04%)	(78.60)	2.22%	(88.60)	0.00%	-	2.25%	(88.60)
Non- Controlling Interest in subsidiaries	(0.02%)	(38.51)	1.09%	(43.41)	0.00%	-	1.10%	(43.41)
Associates								
Wind Two Renergy Private Limited	(0.00%)	(2.91)	0.07%	(2.91)	0.00%	-	0.07%	(2.91)
Wind Four Renergy Private Limited	(0.00%)	(2.61)	0.07%	(2.61)	0.00%	-	0.07%	(2.61)
Wind Five Renergy Private Limited	(0.01%)	(16.36)	0.41%	(16.36)	0.00%	-	0.42%	(16.36)
Wind One Renergy Private Limited	(0.00%)	(1.00)	0.03%	(1.00)	0.00%	-	0.03%	(1.00)
Wind Three Renergy Private Limited	(0.00%)	(1.00)	0.03%	(1.00)	0.00%	-	0.03%	(1.00)
Consolidation eliminations / adjustments	(2.57%)	(5,052.80)	(74.16%)	2,964.85	0.00%	-	(75.37%)	2,964.85
Total	100.00%	196,448.15	100.00%	(3,997.91)	100.00%	64.37	100.00%	(3,933.54)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

55: Interest in Other Entities

Summarised Financial Information:

(₹ in Lakhs)

Particulars	Associates	
	As at 31 March 2020	As at 31 March 2019
Non-Current Assets	151,244.26	59,674.47
Current Assets		
i) Cash and cash equivalent	2,023.73	621.11
ii) Others	1,338.16	3,312.20
Total Current Asset	3,361.89	3,933.31
Total Asset	154,606.15	63,607.78
Non-Current Liabilities		
i) Financial Liabilities	92,223.04	27,730.57
ii) Non Financial Liabilities	-	-
Total Non-Current Liabilities	92,223.04	27,730.57
Current Liabilities		
i) Financial Liabilities	42,366.87	28,833.01
ii) Non Financial Liabilities	208.79	191.06
Total Current Liabilities	42,575.66	29,024.07
Total Liabilities	134,798.70	56,754.64
Net Assets	19,807.45	6,853.14

Summarised Performance:

(₹ in Lakhs)

Particulars	Associates	
	2019-2020	2018-2019
Revenue	4,058.31	-
Profit and Loss before Tax	(2,955.41)	(18.54)
Tax Expense	(414.69)	(15.63)
Profit and Loss after Tax	(2,540.72)	(2.91)
Other Comprehensive Income	-	-
Total Comprehensive Income	(2,540.72)	(2.91)
Depreciation and Amortisation	2,060.88	0.06
Interest Income	20.15	-
Interest Expense	4,804.97	2.46

Reconciliation of Net Assets Considered for Consolidated Financial Statement to Net Asset as per Associate Financial Statement:

(₹ in Lakhs)

Particulars	Associates	
	As at 31 March 2020	As at 31 March 2019
Net Assets as per Entity Financial	19,807.45	6,853.14
Add/(Less) : Consolidation Adjustment	(12,852.45)	77.98
Net Assets as per Consolidated Financials	6,955.00	6,931.12

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

55: Interest in Other Entities (Contd..)

Reconciliation of Profit and Loss/ OCI Considered for Consolidated Financial Statement to Net Asset as per Associate Financial Statement:

(₹ in Lakhs)

Particulars	Associates	
	As at 31 March 2020	As at 31 March 2019
Profit/(loss) as per Entity's Financial	(2,540.72)	(2.91)
Add/(Less) : Consolidation Adjustment	2,564.60	(20.97)
Profit/(loss) as per Consolidated Financials	23.88	(23.88)
OCI as per Entity's Financial	-	-
Add/(Less) : Consolidation Adjustment	-	-
OCI as per Consolidated Financials	-	-

Interest in Associates:

(₹ in Lakhs)

Particulars	As at	
	31 March 2020	31 March 2019
(a) Wind One Renergy Private Limited		
Interest as at 01 April	-	-
Add: Company become associate during the year	-	1.00
Add:- Share of profit for the period	1.00	(1.00)
Add:- Share of OCI for the period	-	-
Balance as at 31 March	1.00	-
(b) Wind Two Renergy Private Limited		
Interest as at 01 April	3,248.09	-
Add: Shares Purchased during the year	-	3,251.00
Add:- Share of profit for the period	2.91	(2.91)
Add:- Share of OCI for the period	-	-
Balance as at 31 March	3,251.00	3,248.09
(c) Wind Three Renergy Private Limited		
Interest as at 01 April	-	-
Add: Company become associate during the year	-	1.00
Add:- Share of profit for the period	1.00	(1.00)
Add:- Share of OCI for the period	-	-
Balance as at 31 March	1.00	-
(d) Wind Four Renergy Private Limited		
Interest as at 01 April	1,848.39	-
Add: Shares Purchased during the year	-	1,851.00
Add:- Share of profit for the period	2.61	(2.61)
Add:- Share of OCI for the period	-	-
Balance as at 31 March	1,851.00	1,848.39
(e) Wind Five Renergy Private Limited		
Interest as at 01 April	1,834.64	-
Add: Shares Purchased during the year	-	1,851.00
Add:- Share of profit for the period	16.36	(16.36)
Add:- Share of OCI for the period	-	-
Balance as at 31 March	1,851.00	1,834.64

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

55: Interest in Other Entities (Contd..)

(₹ in Lakhs)		
Particulars	As at 31 March 2020	As at 31 March 2019
(f) Khatiyu Wind Energy Private Limited		
Interest as at 01 April	-	0.65
Add:- Share of profit for the period	-	-
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	-	(0.65)
Balance as at 31 March	-	-
(g) Nani Virani Wind Energy Private Limited		
Interest as at 01 April	-	0.65
Add:- Share of profit for the period	-	-
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	-	(0.65)
Balance as at 31 March	-	-
(h) Ravapar Wind Energy Private Limited		
Interest as at 01 April	-	0.65
Add:- Share of profit for the period	-	-
Add:- Share of OCI for the period	-	-
Less:- Amount transferred*	-	(0.65)
Balance as at 31 March	-	-

* The above companies have ceased to be associates during the year 2018-19 and have become subsidiary of the Group. (See note 51)

56 (a): Additional Disclosure in respect of Loans Given, as required by the Listing Agreement:

Name of the Loanee – Wind four Renergy Private Limited

(₹ in Lakhs)		
Name of the Party	31 March 2020	31 March 2019
In respect of Inter-corporate deposit		
Amount at the year end	7,177.73	-
Maximum balance during the year	7,177.73	-
Investment by the loanee in shares of the Company	Nil	Nil

56 (b): Disclosure Required under Section 186(4) of the Companies Act, 2013:

Loans to Related Parties:

(₹ in Lakhs)		
Name of the Party	31 March 2020	31 March 2019
Wind Four Renergy Private Limited	7,177.73	-

The above loans are unsecured. The inter-corporate deposits are repayable on demand and carry interest rate 7.50% p.a. These loans are given for general business purposes.

57: The Group has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, the Group appoints independent GST auditor for conducting GST audit to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising from the GST Audit shall be accounted for as and when the audit is completed for the current financial year. However, the management is of the opinion that the aforesaid legislations will not have any impact on the consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

58: Corporate Social Responsibilities (CSR)

(a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is ₹ 77.96 Lakhs (previous year: ₹ 523.83 Lakhs).

(b) Amount spent during the year ended 31 March 2020:

Particulars	(₹ 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 (127.25)	Nil (Nil)	Nil (127.25)

(Figures in brackets pertains to previous year)

59: Events After the Reporting Period

There are no events observed after the reported period which have a material impact on the Group operations.

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

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm's Registration No 000472N

Sandeep Dahiya

Partner
Membership No 505371
UDIN: 20505371AAAAFQ5668

For and on behalf of the Board of Directors

Devansh Jain

Whole-time Director
DIN: 01819331

Vineet Valentine Davis

Whole-time Director
DIN: 06709239

Kailash Lal Tarachandani

Chief Executive Officer

Narayan Lodha

Chief Financial Officer

Deepak Banga

Company Secretary

Place : New Delhi
Date : 27 June 2020

Place : Noida
Date : 27 June 2020



Energizing **INDIA**

Corporate Office

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