

WIND FOUR RENERGY PRIVATE LIMITED

ANNUAL ACCOUNTS

2017-2018

G. K. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
Dial : 91 - 79 - 30012009, 9925174555-56 Fax : 91 - 79 - 26569929 E-mail : info@gkcco.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
WIND FOUR RENERGY PRIVATE LIMITED

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **WIND FOUR RENERGY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Standalone Ind AS Financial Statements).

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

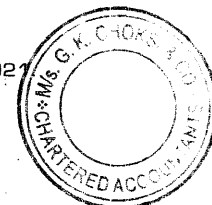
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on standalone Ind AS financial statements.

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the financial position of the company as at 31st March, 2018 and its financial performance including other comprehensive income, changes in equity and its cash flows for the period ended on that date.

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 Act, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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 Flows Statement are dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
 - (e) On the basis of written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.



- (f) In our opinion considering nature of business, size of operation and organisational structure of the entity, 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 31st March 2018, 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; and
- (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 our best of our information and according to the explanations given to us :
- (i) The Company does not have any pending litigations on its financial position in its standalone Ind AS financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

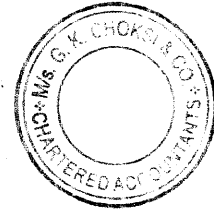
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

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SANDIP A. PARIKH
Partner
Mem. No. 40727

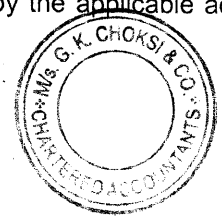
Place : Ahmedabad

Date : 04/05/2018



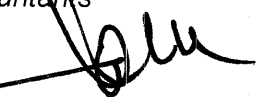
Annexure - A to the Independent Auditors' Report of even date on standalone Ind AS financial statements of WIND FOUR RENERGY PRIVATE LIMITED

- (i) Since the company does not have any fixed assets, clause 3 (i) of the order is not applicable.
- (ii) According to information and explanation given to us, the company does not hold any inventory during the period.
- (iii) As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, wherever applicable with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) According to information and explanation given to us, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of services carried out by the company.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31st March, 2018 for a period more than six months from the date they became payable.
(b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2018
- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the period.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period. The company also does not have any term loan during the period.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noted or reported during the period.
- (xi) Since the company is a private company, section 197 read with Schedule V to the Company's Act is not applicable to the company. Accordingly, the provision of Clause 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the company is not falling under ambit of provisions contained in section 177 of the Companies Act, 2013, the relevant clause is not applicable. Further transactions with the related parties are in compliance with section 188 of the Act and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

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SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad

Date : 04/05/2018



WIND FOUR RENEGY PRIVATE LIMITED

Balance sheet

as at 31st March, 2018

(Amount in hundreds)

	Note	As at 31st March, 2018
Assets		
Non-current assets		
Capital work-in-progress	5	52,635.13
Other non-current assets	6	53,91,870.00
		<u>54,44,505.13</u>
Current assets		
Financial assets		
Cash and cash equivalents	7	91,141.81
Other current assets	8	106.20
		<u>91,248.01</u>
		<u>55,35,753.14</u>
Equity and liabilities		
Equity		
Equity share capital	9	1,000.00
Other equity	10	(5,365.20)
		<u>(4,365.20)</u>
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	11	55,34,635.13
Deferred tax liabilities (net)	18	2,899.98
		<u>55,37,535.11</u>
Current liabilities		
Financial liabilities		
Borrowings	12	850.00
Trade payables	13	-
Due to micro and small enterprises		1,107.53
Due to others		27.35
Other financial liabilities	14	598.35
Other current liabilities	15	2,583.23
		<u>55,35,753.14</u>

See accompanying notes forming part of the standalone financial statements

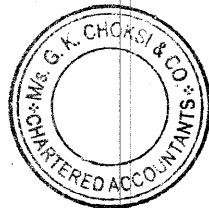
In terms of our report attached

For and on behalf of the Board of Directors

For G. K. Choksi & Co.
Chartered Accountants
Firm Registration Number: 101895W

3
Sandip A. Parikh
Partner
Membership No.: 40727

Place: *Ahmedabad*
Date: *04/05/2018*



T. P. Vijayarathy

T. P. Vijayarathy
Chairman
DIN: 00271777

Saibaba Vutukuri

Saibaba Vutukuri
Director
DIN: 01926362

Place: *Ahmedabad*
Date: *04/05/2018*

WIND FOUR RENEGY PRIVATE LIMITED

Statement of Profit and Loss

For the period ended 31st March, 2018

(Amount in hundreds)
Period ended
31st March, 2018

Income

Revenue from operations

Other income

Total income

Note

-

-

-

Expenses

Finance costs

Other expenses

Total expenses

16

27.35

17

2,437.87

2,465.22

Loss before exceptional items and tax

Exceptional items

Loss before tax

Tax expenses

Current tax

Deferred tax

(2,465.22)

-

(2,465.22)

-

2,899.98

2,899.98

(5,365.20)

Loss for the period

Other comprehensive income

Total comprehensive income for the period

(5,365.20)

Basic and diluted earnings per share of face value of Rs.10 each (in Rs.)

23

(56.76)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For G. K. Choksi & Co.

Chartered Accountants

Firm Registration Number: 101895W

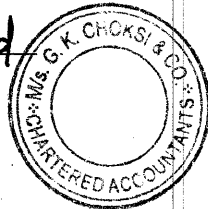
Sandip A. Parikh

Partner

Membership No.: 40727

Place: Ahmedabad

Date: 04/05/2018



T. P. Vijayasathy

T. P. Vijayasathy

Chairman

DIN: 00271777

Saibaba Vutukuri

Saibaba Vutukuri

Director

DIN: 01926362

Place: Ahmedabad

Date: 04/05/2018

Cash flow statement

For the period ended 31st March, 2018

Cash flow from operating activities

Net profit before tax

(2,465.22)

Adjustments for :

Finance costs

16

27.35**Operating profit before working capital changes**(2,437.87)**Movement in working capital:**

Adjustments for decrease / (increase) in operating assets:

Other current assets

(106.20)

Other non-current assets

(10,620.00)

Adjustments for increase / (decrease) in operating liabilities:

Trade payables

1,107.53

Other current liabilities

598.35**Cash generated from / (used) in operations**(11,458.19)

Taxes paid

Net cash flow from / (used) in operating activities(11,458.19)**Cash flow from investing activities**

Long-term advances for capital assets

(53,81,250.00)**Net cash generated from / (used) in investing activities**(53,81,250.00)**Cash flow from financing activities**

Share Capital

1,000.00

Proceeds from long-term borrowings

54,82,000.00

Proceeds from short-term borrowings

850.00**Net cash generated from / (used) in financing activities**54,83,850.00**Net (decrease) / increase in cash and cash equivalents**

91,141.81

Cash and cash equivalents as at beginning of the period**Cash and cash equivalents as at end of the period**91,141.81

See accompanying notes forming part of the financial statements

Footnotes:

	Note	As at 31st March, 2018
1 Cash and cash equivalents as at end of the period:		
Cash and cash equivalents	7	<u>91,141.81</u>
		<u>91,141.81</u>
2 The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".		

In terms of our report attached

For and on behalf of the Board of Directors

For G. K. Choksi & Co.
Chartered Accountants
Firm Registration Number : 101895W

T. P. Vijayasarathy
Chairman
DIN: 00271777

3 Sandip A. Parikh
Partner
Membership No.: 40727

Saibaba Vutukuri
Director
DIN: 01926362

Place: Ahmedabad
Date: 04/05/2018

Place: Ahmedabad
Date: 04/05/2018



WIND FOUR RENERGY PRIVATE LIMITED

Statement of changes in equity for the period ended 31st March, 2018

A. Equity share capital (refer note 9)

(Amount in hundreds)

Balance as at 31st March, 2017	-
Changes in equity share capital during the period	1,000.00
Balance as at 31st March, 2018	<u>1,000.00</u>

B. Other equity (refer note 10)

(Amount in hundreds)
Reserves and surplus
Retained earnings

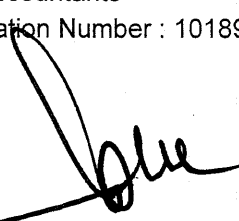
Balance as at 31st March, 2017	-
Profit for the period	(5,365.20)
Balance as at 31st March, 2018	<u>(5,365.20)</u>

In terms of our report attached

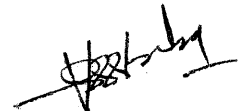
For and on behalf of the Board of Directors

For G. K. Choksi & Co.
Chartered Accountants
Firm Registration Number : 101895W


T. P. Vijayasarithy
Chairman
DIN: 00271777

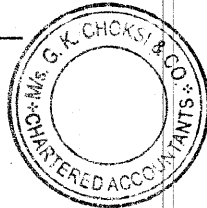

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Sandip A. Parikh
Partner
Membership No.: 40727


Saibaba Vutukuri
Director
DIN:01926362

Place: Ahmedabad
Date: 04/05/2018

Place: Ahmedabad
Date: 04/05/2018



WIND FOUR RENERGY PRIVATE LIMITED

1. General Information –

The Company is a wholly owned subsidiary of Inox Wind Infrastructure Services Limited. The Company is promoted by Inox Wind Infrastructure Services Limited formed for the purpose of setting up 50MW wind power plant at Dayapar, Gujarat.

The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at : Survey No. 1837 & 1834, At Moje Jetalpur, ABS Tower, Second Floor, Old Padra Road, Vadodara, Gujarat-390007.

2. New standards or interpretations issued but not yet effective –

The company will apply the following standard for the first time for its annual reporting period commencing 1st April, 2018.

Ind AS 115 – Revenue from contracts with Customers -

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28 March 2018 which includes Ind AS 115 'Revenue from Contracts with Customers'. This will replace Ind AS 18 which covers contracts for goods and services and Ind AS 11 which covers construction contracts.

Ind AS 115 – Revenue from contracts with Customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new standard will come into effect for the annual reporting periods beginning on or after 1 April 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

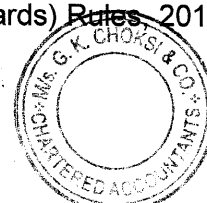
There is no impact on the Company's financial statements on account of Ind AS 115.

3. Significant accounting policies

3.1 Basis of preparation:

a) Compliance with Ind AS

The financial statements is in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.



As prescribed by the Indian Accounting Standard (Ind AS), if the particular Ind AS is not in conformity with the applicable laws, the provisions of the said law shall prevail and financial statements shall be prepared in conformity with such laws. Consequently, the Company has applied this norm while preparing the financial statements.

b) Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention except for following:

- Certain financial assets and liabilities (including derivative instruments) which has been measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of asset and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non- current classification of assets and liabilities.

3.2 Revenue recognition:

- (i) Revenue is recognized when the products are delivered or services are rendered to consumers and when no significant uncertainty as to the measurability or collectability exists. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discount and other similar allowances.
- (ii) Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3.3 Cash and cash equivalents:

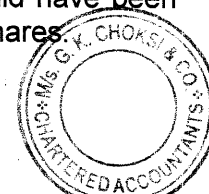
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.4 Earnings per share:

Basic earnings per share is computed by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



3.5 Provisions, contingent liabilities and contingent assets:

Provisions:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as Contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

3.6 Financial Instruments:

Initial Measurement of financial assets and financial liabilities:

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 that are directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and



- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii) **Subsequent measurement**

• **Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the debt instruments can be classified.

• **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

• **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under



Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience.

iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings.

i) Classification

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss are measured at amortized cost. The Effective Interest Rate Method (EIR) is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition

ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method.

iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



3.7 **Contributed equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

3.8 **Leases:**

Leases (including lease arrangements for land) 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.

Operating Lease (The Company as Lessee): Lease payments under an operating lease are recognized as expense in the statement of profit and loss, on a straight-line or other systematic basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised in the year in which such liability accrues.

3.9 **Borrowing Costs:**

General and specific borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

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

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

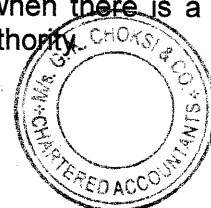
3.10 **Taxation:**

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

Current Tax:

The tax currently payable is based on taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and revises the provisions, where consider necessary.

Advance taxes and provisions for current income taxes are offset when there is a legally enforceable right to offset and balance arises with same tax authority.



Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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.

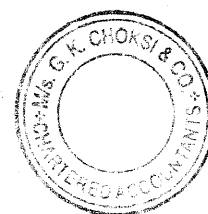
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.11 Rounding of Amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds with two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.



Note 4. Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 3 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount 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 the revision and future period, if the revision affects current and future periods.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

- Recognition of deferred tax assets (refer note 18)



WIND FOUR RENERGY PRIVATE LIMITED

Note - 5 : Capital Work in Progress

(Amount in hundreds)

As at

31st March, 2018

Capital Work In Progress

Opening Balance

-

Add:- Addition During the period

52,635.13

52,635.13

Less:-Capitalised during the period

-

52,635.13



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note 6 : Other non-current assets

Unsecured (considered good unless stated otherwise)

Capital advances
Prepayments

**As at
31st March, 2018**

**53,81,250.00
10,620.00**

53,91,870.00



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note - 7 : Cash and cash equivalents

	As at 31st March, 2018
Balances with banks	
Balance in current accounts	91,091.81
Cash on hand	50.00
	<hr/> 91,141.81 <hr/>

Note 8 : Other current assets

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2018
Prepayments	106.20
	<hr/> 106.20 <hr/>



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note - 9 : Equity share capital**As at
31st March, 2018****Authorised**

10,000 equity shares of Rs.10 each	<u>1,000.00</u>
	<u><u>1,000.00</u></u>

Issued, subscribed and paid up

10,000 equity shares of Rs.10 each	<u>1,000.00</u>
	<u><u>1,000.00</u></u>

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	No. of shares As at 31st March, 2018
At the beginning of the period	-
Issued during the period	<u>10,000.00</u>
Outstanding at the end of the period	<u><u>10,000.00</u></u>

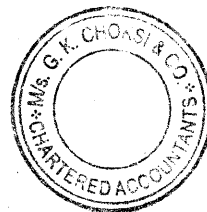
2 10,000 equity shares of Rs.10 each fully paid up are held by the Parent Company - Inox Wind Infrastructure Services Limited jointly with nominees.**3 Terms / Rights attached to equity shares :**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2018	
	No. of shares	% holding
Inox Wind Infrastructure Services Limited (Jointly with nominees)	10,000.00	100%



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note - 10 : Other equity

**As at
31st March, 2018**

Reserves and surplus
Retained earnings

(5,365.20)

(5,365.20)

Footnotes:

1 Retained earnings:

The same reflects the profit / (Loss) of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.



Note - 11 : Non-current borrowings

As at
31st March, 2018

Redeemable, unlisted non convertible debentures

55,34,635.13

55,34,635.13

Footnotes:

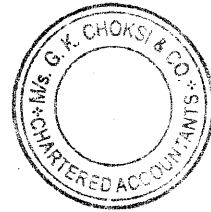
1 Nature of security

The debentures have subordinate pari passu charge over Project assets, subordinate to the charge held by other project lenders.

2 The future annual repayment obligations on principal amount for the above long-term borrowings are as under:-

Financial year	(Amount in hundreds)	
	Non Convertible Debentures (Face Value)	Redemption Premium
2018-2019	-	-
2019-2020	-	-
2020-2021	54,82,000.00	13,15,680.00

During the current reporting period, Rs. 52,63,513/- provided as redemption premium using effective interest rate method on face value of non-convertible debentures of Rs.54,82,00,000/-.



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note - 12 : Current borrowings

	As at 31st March, 2018
Inter corporate deposit	850.00
	<u>850.00</u>

Note - 13 : Current trade payables

	As at 31st March, 2018
Trade payables for goods and services	
Due to micro and small enterprises	-
Due to others	1,107.53
	<u>1,107.53</u>

Note - 14 : Other current financial liabilities

	As at 31st March, 2018
Interest accrued but not due	27.35
	<u>27.35</u>

Note - 15 : Other current liabilities

	As at 31st March, 2018
Statutory dues	598.35
	<u>598.35</u>



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note - 16 : Finance costs

Other borrowing costs

**Period ended
31st March, 2018**

27.35

27.35

Note - 17 : Other expenses

Rent and hire charges

Miscellaneous expenses

Auditors remuneration (refer note 22)

Legal, professional and consultancy fees

**Period ended
31st March, 2018**

547.53

1.47

590.00

1,298.87

2,437.87



WIND FOUR RENEGY PRIVATE LIMITED

Note 18: Income tax expenses

(a) Income tax expense recognised in statement of profit and loss

(Amount in hundreds)
**Period ended
31st March, 2018**

Current tax :

Current tax on profits for the period

-

Deferred tax :

Decrease / (increase) in deferred tax assets

(54.50)

(Decrease) / increase in deferred tax liabilities

2,954.48

2,899.98

Income tax expense attributable to continuing operations

2,899.98



WIND FOUR RENERGY PRIVATE LIMITED

Note 18: Income tax expenses (Contd.)

(b) Deferred tax balances

(a) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

	(Amount in hundreds)
	As at
	31st March, 2018
Deferred tax assets	54.50
Deferred tax liabilities	(2,954.48)
	<u><u>(2,899.98)</u></u>

(b) Movement of deferred tax

Deferred tax assets / (liabilities) in relation to the period ended 31st March, 2018

	Opening balance	Recognised in profit or loss	Recognised in OCI	(Amount in hundreds) Closing balance
Impact on account of effective interest rate on long term borrowings	-	(2,954.48)	-	(2,954.48)
Expense allowable on deferred basis	-	54.50	-	54.50
	-	<u><u>(2,899.98)</u></u>	-	<u><u>(2,899.98)</u></u>



WIND FOUR RENERGY PRIVATE LIMITED

Note 19: Commitments

(Amount in hundreds)

As at

31st March, 2018

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Property, plant and equipment

3,04,93,750.00

Intangible assets

-

Other Commitments

-



Note 20: Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. No interest is paid/payable during the period and no amount is outstanding at the end of the period.

Note 21: Operating lease

The Company's significant leasing arrangements are in respect of office premises. The arrangement is for 11 months and is renewable by mutual consent on mutually agreeable terms. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note 22: Auditors remuneration

	Period ended 31st March, 2018
As auditor	
Audit fees (including goods and service tax)	590.00
	<u><u>590.00</u></u>

Note 23: Earnings per share

	Period ended 31st March, 2018
Basic earnings per share	(56.76)
Diluted earnings per share	(56.76)

Basic and diluted earnings per share

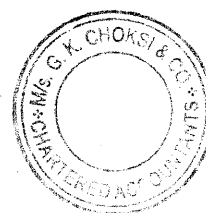
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Period ended 31st March, 2018
Profit / (loss) for the period attributable to the Company used in calculation of basis earning per share	(5,365.20)
Weighted average number of equity shares (in hundreds)	94.52

The Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

Note 24: Operating segment

The company's primary business segment is Generation of Electricity. The Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".



WIND FOUR RENERGY PRIVATE LIMITED

(Amount in hundreds)

Note 22: Auditors remuneration

	Period ended 31st March, 2018
As auditor	
Audit fees (including goods and service tax)	590.00
	<u><u>590.00</u></u>

Note 23: Earnings per share

	Period ended 31st March, 2018
Basic earnings per share	(56.76)
Diluted earnings per share	(56.76)

Basic and diluted earnings per share

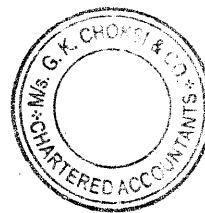
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Period ended 31st March, 2018
Profit / (loss) for the period attributable to the Company used in calculation of basis earning per share	(5,365.20)
Weighted average number of equity shares (in hundreds)	94.52

The Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

Note 24: Operating segment

The company's primary business segment is Generation of Electricity. The Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".



WIND FOUR RENERGY PRIVATE LIMITED

Note 25: Related party disclosures

(a) Names of related parties and description of relationship:

1	Parent Company	Inox Wind Infrastructure Services Limited			
2	Ultimate Parent Company	Inox Wind Limited			
3	Key management personnel	T. P. Vijayarathy Director	Jayesh Desai Director	Sudhir Shah Director	Raghuveer Parakh Director
4	Enterprise having significant influence on the company	Torrent Power Limited			



WIND FOUR RENERGY PRIVATE LIMITED
Note 25: Related party disclosures (Contd.)

(b) Related party transactions

(Amount in hundreds)

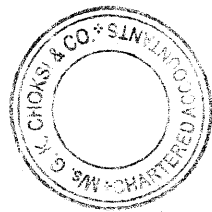
	Parent Company	Enterprise having significant influence on the company	Ultimate Parent Company	Total
	Period ended	Period ended	Period ended	Period ended
	31.03.18	31.03.18	31.03.18	31.03.18
Nature of transactions				
Interest on Inter Corporate Deposit	27.35			27.35
Inox Wind Infrastructure Services Limited	27.35			27.35
Capital Advance			53,81,250.00	53,81,250.00
Inox Wind Limited			53,81,250.00	53,81,250.00
Equity contribution	1,000.00			1,000.00
Inox Wind Infrastructure Services Limited	1,000.00			1,000.00
Inter Corporate Deposit received	850.00			850.00
Inox Wind Infrastructure Services Limited	850.00			850.00
Issuance of Non Convertible Debentures		54,82,000.00		54,82,000.00
Torrent Power Limited		54,82,000.00		54,82,000.00
Premium on Non Convertible Debentures		52,635.13		52,635.13
Torrent Power Limited		52,635.13		52,635.13



WIND FOUR RENERGY PRIVATE LIMITED
Note 25: Related party disclosures (Contd.)

(Amount in hundreds)

	Parent Company	Enterprise having significant influence on the company	Ultimate Parent Company	Total
	As at 31.03.18	As at 31.03.18	As at 31.03.18	As at 31.03.18
Balances at the end of the year				
Equity contribution				
Inox Wind Infrastructure Services Limited	1,000.00			1,000.00
	1,000.00			1,000.00
Issuance of Non Convertible Debentures				
Torrent Power Limited		54,82,000.00		54,82,000.00
		54,82,000.00		54,82,000.00
Premium Payable on Non Convertible Debentures				
Torrent Power Limited		52,635.13		52,635.13
		52,635.13		52,635.13
Interest Payable on Inter Corporate Deposit				
Inox Wind Infrastructure Services Limited	27.35			27.35
	27.35			27.35
Capital Advance				
Inox Wind Limited			53,81,250.00	53,81,250.00
			53,81,250.00	53,81,250.00
Inter Corporate Deposit				
Inox Wind Infrastructure Services Limited	850.00			850.00
	850.00			850.00



WIND FOUR RENERGY PRIVATE LIMITED

Note 26: Financial instruments and risk review

(a) Capital Management

The Company manages its capital structure to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt and equity of the Company. (comprising issued capital, reserves and retained earnings)

(b) Categories of financial instruments

	(Amount in hundreds)	
	As at 31st March, 2018	
	Carrying value	Fair value
Financial assets		
Measured at amortised Cost		
Cash and cash equivalents	91,141.81	91,141.81
	<u>91,141.81</u>	<u>91,141.81</u>
Financial liabilities		
Measured at amortised Cost		
Borrowing	55,35,485.13	55,35,485.13
Trade payable	1,107.53	1,107.53
Other financial liabilities	27.35	27.35
	<u>55,36,620.01</u>	<u>55,36,620.01</u>

(c) Fair value measurement

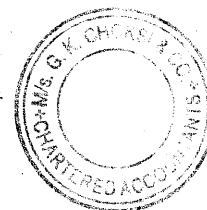
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 :	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 :	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 :	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(d) Financial risk management objectives

The Company's principal financial liabilities, comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents.

The Company's activities are exposed to liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework.



WIND FOUR RENERGY PRIVATE LIMITED

Note 26: Financial instruments and risk review

(d) Financial risk management objectives (contd.)

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due because it has inadequate funding or is unable to liquidate its assets. The Company manages liquidity risk by preparing cash flow forecasts and by ensuring it has sufficient funding to meet its forecast cash demands.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

As at 31st March, 2018

	(Amount in hundreds)		
	Less than 1 year	Between 1 and 5 year	Total
Financial liabilities			
Non current financial liabilities			
Borrowings	-	55,34,635.13	55,34,635.13
Trade payables	-	-	-
Other financial liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
	-	55,34,635.13	55,34,635.13
Current financial liabilities			
Borrowings	850.00	-	850.00
Trade payables	1,107.53	-	1,107.53
Other financial liabilities	27.35	-	27.35
	<hr/>	<hr/>	<hr/>
	1,984.88	-	1,984.88
Total financial liabilities	<hr/>	<hr/>	<hr/>
	1,984.88	55,34,635.13	55,36,620.01



Note 27: Previous year figures

The company was incorporated on 21st April, 2017. The current reporting period is the first year of incorporation and therefore comparative figures have not been provided.

Note 28: Approval of financial statements


The financial statements were approved for issue by the board of directors on 04/05/2018

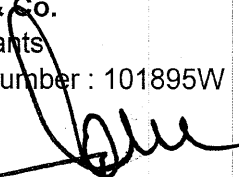
Signature to Note 1 to 28

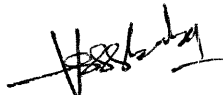
In terms of our report attached

For and on behalf of the Board of Directors

For G. K. Choksi & Co.
Chartered Accountants
Firm Registration Number : 101895W


T. P. Vijayarathy
Chairman
DIN:00271777

3

Sandip A. Parikh
Partner
Membership No.: 40727


Saibaba Vutukuri
Director
DIN:01926362

Place: Ahmedabad
Date: 04/05/2018

Place: Ahmedabad
Date: 04/05/2018

