

Dewan P.N. Chopra & Co.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Inox Wind Infrastructure Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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

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

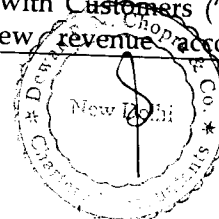
Basis for Opinion

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

Key Audit Matters

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

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



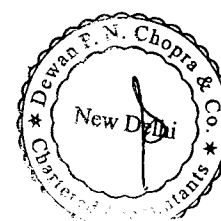
| | |
|--|--|
| <p>115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized.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

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

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

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

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



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

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

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

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

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

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

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

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

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



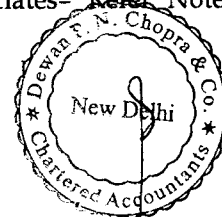
associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures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

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

Report on Other Legal and Regulatory Requirements

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

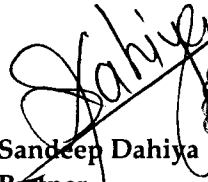
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and associate companies, none of the directors of the Group companies and its associate companies is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associates companies and the operating effectiveness of such controls, refer to our separate report in Annexure.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of associates, as noted in the Other matter' paragraph
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates- Refer Note 40 to the consolidated financial statements.

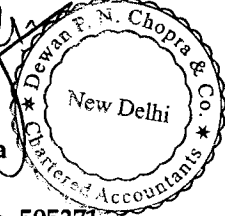


ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group (Refer Note 37 to the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

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

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


Sandeep Dahiya
Partner
Membership No. 505371



Place: New Delhi
Date: 18 May 2019

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

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

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

Management's Responsibility for Internal Financial Controls

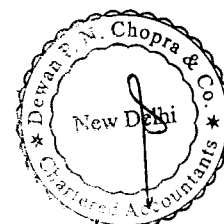
The respective Board of Directors of the Holding company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

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

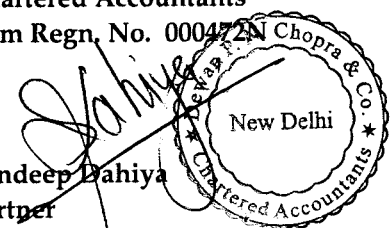
Place: New Delhi
Date: 18 May 2019

For Dewan P. N. Chopra & Co.
Chartered Accountants

Firm Regn. No. 000472N

Sandeep Dahiya
Partner

Membership No. 505371



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

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



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

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

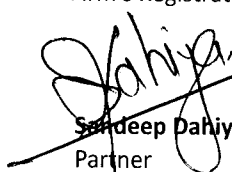
The accompanying notes (1 to 52) are an integral part of the consolidated financial statements

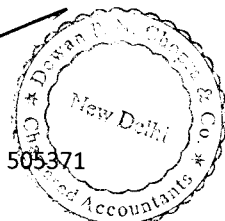
As per our report of even date attached

For Dewan PN Chopra & Co.

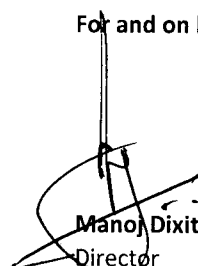
Chartered Accountants

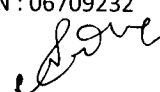
Firm's Registration No 000472N



Sandeep Dahiya
 Partner
 Membership No. 505371

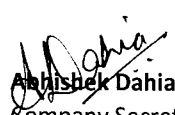


For and on behalf of the Board of Directors


Manoj Dixit
 Director
 DIN : 06709232


Narayan Lodha
 Chief Financial Officer


Vineet Davis
 Director
 DIN : 06709239

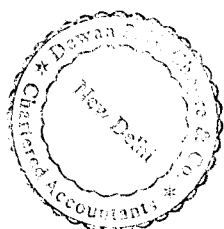

Abhishek Dahiya
 Company Secretary

Place : Noida
 Date : 18 May 2019

Place : Noida
 Date : 18 May 2019

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

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



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

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

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

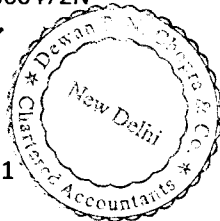
As per our report of even date attached

For Dewan PN Chopra & Co.

Chartered Accountants

Firm's Registration No 000472N



Sandeep Dahiya
Partner
Membership No. 505371



For and on behalf of the Board of Directors


Manoj Dixit
Director
DIN: 06709232

Narayan Lodha
Chief Financial Officer


Vineet Davis
Director
DIN : 06709239

Abhishek Dahia
Company Secretary

Place : Noida

Date : 18 May 2019

Place : Noida

Date : 18 May 2019

INOX WIND INFRASTRUCTURE SERVICES LIMITED
Consolidated statement of cash flows for the period ended 31 March 2019
(Rs. in lakhs)

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



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

(Rs. in lakhs)

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

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

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

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

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

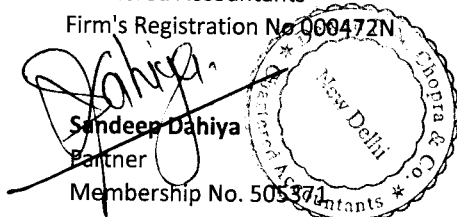
Notes:

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

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

Chartered Accountants

Firm's Registration No. 000472N



Sandeep Dahiya

Partner

Membership No. 505371

For and on behalf of the Board of Directors

Mandi Dixit
 Director
 DIN : 06709232

Narayan Lodha
 Chief Financial Officer

Vinod Datta
 Director
 DIN : 06709239

Abhishek Dahiya
 Company Secretary

Place : Noida
 Date : 18 May 2019

Place : Noida
 Date : 18 May 2019

INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

A. Equity share capital

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

B. Other equity

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

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


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

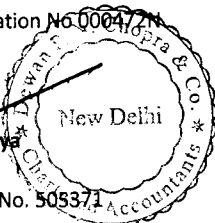
As per our report of even date attached

For Dewan PN Chopra & Co.

Chartered Accountants

Firm's Registration No. 00047/N

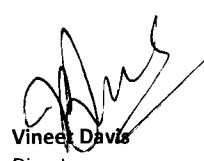

Sandeep Dahia
Partner
Membership No. 505371

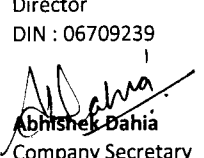


For and on behalf of the Board of Directors


Manoj Dixit
Director
DIN - 06709232


Narayan Lodha
Chief Financial Officer


Vineet Davis
Director
DIN : 06709239


Abhishek Dahia
Company Secretary

Place : Noida
Date : 18 May 2019

Place : Noida
Date : 18 May 2019

Inox Wind Infrastructure Services Limited

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

1. Group information

Inox Wind Infrastructure Services Limited ("the Company") is a public limited company incorporated in India. These Consolidated Financial Statements ("these CFS") relate to the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interest in associates. The Group is engaged in the business of providing Erection, Procurement and Commissioning ("EPC") services, Operations and Maintenance ("O&M") services, wind farm development services and Common Infrastructure Facilities for WTGs. The Company's parent company is Inox Wind Limited which is a subsidiary of Gujarat Fluorochemicals Limited and its ultimate holding company is Inox Leasing and Finance Limited. The area of operations of the Group is within India.

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

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of Compliance

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

2.2 Basis of Measurement

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

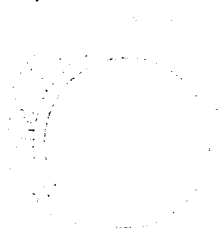
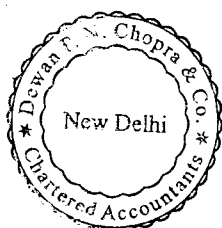
These CFS have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;



Inox Wind Infrastructure Services Limited

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

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of Preparation and Presentation

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

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

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

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

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

3. Basis of Consolidation and Significant Accounting Policies

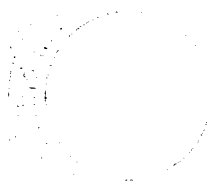
3.1 Basis of consolidation

These CFS incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a



Inox Wind Infrastructure Services Limited

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

subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries of the Group to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between subsidiaries of the Group are eliminated in full on consolidation.

3.1.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, gain or loss is recognised in profit or loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

3.2 Business combinations

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

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



Inox Wind Infrastructure Services Limited

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

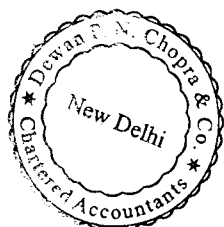
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets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

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

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

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

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent



Inox Wind Infrastructure Services Limited

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

consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

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

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

3.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see Note 3.2 above) less accumulated impairment losses, if any.

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

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

3.4 Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these CFS using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that



Inox Wind Infrastructure Services Limited

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

associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.



When a Group company transacts with an associate of the Group, unrealised gains and losses resulting from such transactions are eliminated to the extent of the interest in the associate.

3.5 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.5 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. No impact of the adoption of the standard on the financial statements of the Company.

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

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



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

Use of significant judgments in revenue recognition

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

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



3.6 Leasing

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

3.6.1 The Group as lessee

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

3.7 Borrowing costs

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

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

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

3.8 Employee benefits

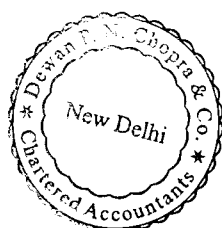
3.8.1 Retirement benefit costs

Recognition and measurement of defined contribution plans:

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

Recognition and measurement of defined benefit plans:

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



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

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

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

3.8.2 Short-term and other long-term employee benefits

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

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

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

3.9 Taxation

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

3.9.1 Current tax

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

3.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the



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accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

3.9.3 Presentation of current and deferred tax:

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

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

3.10 Property, plant and equipment

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

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



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Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

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

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

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

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

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

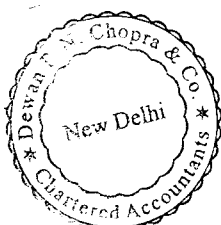
The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

3.11 Intangible assets

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

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).



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Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

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

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Software 6 years

3.12 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

3.13 Inventories



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

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

Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.14 Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

3.15 Financial instruments

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



A] Financial assets

a) Initial recognition and measurement:

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

b) Effective interest method:

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

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

c) Subsequent measurement:

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

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

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

i. Financial assets measured at amortized cost:

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

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

This category applies to cash and bank balances, trade receivables, loans, certain investments and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

ii. Financial assets measured at FVTOCI:



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

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

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

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

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Derecognition:

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

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

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

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been



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recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

e) Impairment of financial assets:

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

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

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

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

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

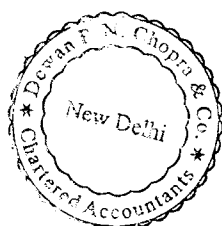
ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

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

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

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

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



B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Group member are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group member are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

ii. Compound financial instruments:-

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

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

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

iii. Financial Liabilities:-

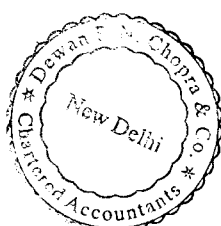
a) Initial recognition and measurement:

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

b) Subsequent measurement:

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

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



c) Derecognition of financial liabilities:

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

3.16 Derivative financial instruments and hedge accounting

a) Fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The gain or loss on the hedged item is adjusted to the carrying value of the hedged item and the corresponding effect is recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

Note 37 sets out details of the fair values of the derivative instruments used for hedging purposes.

b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.



Inox Wind Infrastructure Services Limited

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

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3.17 Earnings Per Share

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

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

3.18 Recent accounting pronouncements

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

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

4 Critical accounting judgements and use of estimates

In application of Group's accounting policies, which are described in Note 3, the directors of the Holding Company are required to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

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



Inox Wind Infrastructure Services Limited

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

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

The Group has adopted useful lives of PPE as described in Note 3.10 above. The Group reviews the estimated useful lives of PPE at the end of each reporting period.

b) Fair value measurements and valuation processes

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

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

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

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

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

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Group prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Group. Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits – see Note 44
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 38
- Assessment of the status of various legal cases/claims and other disputes where the Group does not expect any material outflow of resources and hence these are reflected as contingent liabilities. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 40
- Impairment of financial assets – see Note 37



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

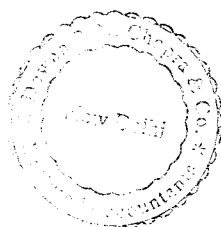
5 : Property, plant and equipment

| | (Rs. in Lakhs) | |
|-----------------------------|-------------------------|-------------------------|
| | As at | As at |
| | <u>31 March 2019</u> | <u>31 March 2018</u> |
| Carrying amounts of: | | |
| Freehold land | 961.14 | 910.27 |
| Road | 1,351.87 | 1,421.97 |
| Plant and equipment | 48,690.45 | 47,401.34 |
| Furniture and fixtures | 154.92 | 175.73 |
| Vehicles | 1.88 | 2.22 |
| Office equipment | 30.75 | 39.99 |
| Total | <u>51,191.01</u> | <u>49,951.52</u> |

Note: Assets mortgaged/pledged as security for borrowings:

(Rs. in Lakhs)

| Carrying amounts of: | As at | As at |
|--------------------------|------------------|------------------|
| | 31 March 2019 | 31 March 2018 |
| Freehold land | 961.14 | 910.27 |
| Buildings | 1,351.87 | 1,421.97 |
| Plant and equipment | 48,690.45 | 47,401.34 |
| Furniture and fixtures | 154.92 | 175.73 |
| Vehicles | 1.88 | 2.22 |
| Office equipment | 30.75 | 39.99 |
| Capital Work-in progress | - | - |
| Total | 51,191.01 | 49,951.52 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

5A : Property, plant and equipment

(Rs. in Lakhs)

| Particulars | Land - Freehold | Roads | Plant and equipment | Furniture and Fixtures | Vehicles | Office Equipment | Total |
|------------------------------------|-----------------|-----------------|---------------------|------------------------|-------------|------------------|------------------|
| Cost or deemed cost: | | | | | | | |
| Balance as at 1 April 2017 | 910.27 | 1,103.93 | 26,237.58 | 106.46 | 2.18 | 118.65 | 28,479.07 |
| Additions | - | 940.43 | 23,360.79 | 97.86 | 0.66 | 8.43 | 24,408.17 |
| Borrowing cost capitalised | - | - | 113.90 | - | - | - | 113.90 |
| Disposals | - | - | - | - | - | - | - |
| Balance as at 31 March 2018 | 910.27 | 2,044.36 | 49,712.27 | 204.32 | 2.84 | 127.08 | 53,001.14 |
| Additions | 50.87 | 519.32 | 3,450.00 | 1.35 | - | 15.87 | 4,037.41 |
| Borrowing cost capitalised | - | - | - | - | - | - | - |
| Balance as at 31 March 2019 | 961.14 | 2,563.68 | 53,162.27 | 205.67 | 2.84 | 142.95 | 57,038.55 |

| | | | | | | | |
|------------------------------------|----------|-----------------|-----------------|--------------|-------------|---------------|-----------------|
| Accumulated Depreciation: | | | | | | | |
| Balance as at 1 April 2017 | - | 301.62 | 1,022.58 | 14.30 | 0.35 | 55.16 | 1,394.01 |
| Eliminated on disposal of assets | - | - | - | - | - | - | - |
| Depreciation expense for the year | - | 320.77 | 1,288.35 | 14.29 | 0.27 | 31.93 | 1,655.61 |
| Balance as at 31 March 2018 | - | 622.39 | 2,310.93 | 28.59 | 0.62 | 87.09 | 3,049.62 |
| Depreciation expense for the year | - | 589.42 | 2,160.89 | 22.16 | 0.34 | 25.11 | 2,797.92 |
| Balance as at 31 March 2019 | - | 1,211.81 | 4,471.82 | 50.75 | 0.96 | 112.20 | 5,847.54 |

(Rs. in Lakhs)

| Net carrying amount | Land - Freehold | Roads | Plant and equipment | Furniture and Fixtures | Vehicles | Office Equipment | Total |
|----------------------------|-----------------|----------|---------------------|------------------------|----------|------------------|-----------|
| As at 31 March 2018 | 910.27 | 1,421.97 | 47,401.34 | 175.73 | 2.22 | 39.99 | 49,951.52 |
| As at 31 March 2019 | 961.14 | 1,351.87 | 48,690.45 | 154.92 | 1.88 | 30.75 | 51,191.01 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

(Rs. in Lakhs)

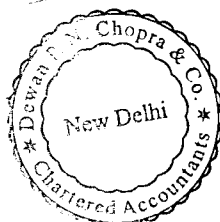
| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------|------------------------|------------------------|
| 6 : Intangible assets | | |
| <i>Carrying amounts of:</i> | | |
| Software | 9.92 | 16.21 |

Details of Intangible Assets

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

| | | |
|-----------------------------------|-------|-------|
| Accumulated amortisation | | |
| Balance as at 1 April 2017 | 15.39 | 15.39 |
| Amortisation expense for the year | 7.77 | 7.77 |
| Balance as at 31 March 2018 | 23.16 | 23.16 |
| Amortisation expense for the year | 7.73 | 7.73 |
| Balance as at 31 March 2019 | 30.89 | 30.89 |

| Net carrying amount | Software | Total |
|---------------------|----------|-------|
| As at 31 March 2018 | 16.21 | 16.21 |
| As at 31 March 2019 | 9.92 | 9.92 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 7 : Investment accounted for using the equity method | | |
| Investment in associates | | |
| Investment in equity Instruments (unquoted) | | |
| - in fully paid-up equity shares of Rs. 10 each | | |
| Wind Two Renergy Private Limited- 3,25,10,000 (31 March 2018: 10,000) equity shares | 3,248.09 | - |
| Wind Four Renergy Private Limited- 1,85,10,000 (31 March 2018: 10,000) equity shares | 1,848.39 | - |
| Wind Five Renergy Private Limited- 1,85,10,000 (31 March 2018: 10,000) equity shares | 1,834.64 | - |
| Wind One Renergy Private Limited- 10,000 (31 March 2018: Nil) equity shares # | - | - |
| Wind Three Renergy Private Limited- 10000 (31 March 2018: Nil) equity shares # | - | - |
| Nani Virani Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares* | - | 0.65 |
| Ravapar Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares* | - | 0.65 |
| Khatiyu Wind Energy Private Limited- 10,000 (31 March 2018: Nil) equity shares* | - | 0.65 |
| | <u>6,931.12</u> | <u>1.95</u> |

The Group has entered binding agreement with above companies. In view of the provision of binding agreement, The Group has ceased to exercise control over companies. (Refer Note No. 45)

* The above companies have ceased to be associates during the year and have become subsidiary of the Group. (Refer Note No. 45)

8 : Other Investments

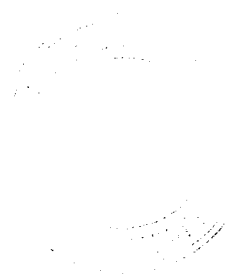
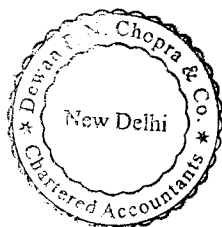
Financial assets carried at FVTPL

Investments in mutual funds (unquoted, fully paid up)

(face value Rs. 10 each)

35,952.883 units (31 March 2018: Nil) of ABSL Saving Fund - Growth Direct

| | |
|---------------|----------|
| 133.66 | - |
| <u>133.66</u> | <u>-</u> |

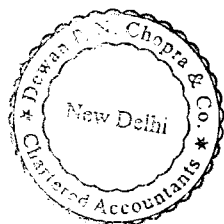


INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|---|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 7 :Investment accounted for using the equity method | | |
| Investment in associates | | |
| Investment in equity instruments (unquoted) | | |
| - in fully paid-up equity shares of Rs. 10 each | | |
| 10,000 equity shares (31 March 2017: Nil) of Wind Two Renergy Pvt. Ltd. | 3,248.09 | 0.65 |
| 10,000 equity shares (31 March 2017: Nil) of Wind Four Renergy Pvt. Ltd. | 1,848.39 | 0.65 |
| 10,000 equity shares (31 March 2017: Nil) of Wind Five Renergy Pvt. Ltd. | 1,834.64 | 0.65 |
| 10,000 equity shares (31 March 2017: Nil) of Wind One Renergy Pvt. Ltd. | - | |
| 10,000 equity shares (31 March 2017: Nil) of Wind Three Renergy Pvt. Ltd. | - | |
| | 6,931.12 | 1.95 |
| 8: Other investments | | |
| Non-current | | |
| Investments in Equity Instruments of subsidiary | - | - |
| Investment in Government Securities (at amortised cost) | | |
| National Saving Certificates | - | - |
| Less: Provision for dimunition in investment | 0.00 | 0.00 |
| Total | - | - |
| Total Investments | 6,931.12 | 1.95 |
| Aggregate book value of quoted investments | - | - |
| Aggregate market value of quoted investments | - | - |
| Aggregate carrying value of unquoted investments | - | 1.95 |
| Aggregate amount of impairment in value of investments | - | - |
| Category-wise other investments – as per Ind AS 109 classification | | |
| - at amortised cost | - | - |
| | - | - |

Investment in National Savings Certificates (NSC) carried interest @ 8.60% p.a. Interest was compounded on yearly basis and receivable on maturity. These NSCs' were pledged with Government authorities and held in the name of a director of the Company.



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 9 : Loans (Unsecured, considered good) | | |
| <u>Non-current</u> | | |
| Security deposits | 1,192.83 | 1,266.50 |
| Total | 1,192.83 | 1,266.50 |
| <u>Current</u> | | |
| Loans to related parties (Refer Note 45) | | |
| Inter-corporate deposits to associates, considered good | 52.39 | 2.64 |
| | 52.39 | 2.64 |
| Total | 52.39 | 2.64 |
| 10 : Other financial assets | | |
| <u>Non-current</u> | | |
| Non-current bank balances (from Note 16) | 226.65 | 257.73 |
| Unbilled revenue (See note below) | 30,638.36 | 24,887.46 |
| Other recoverable | 235.62 | 81.75 |
| Total | 31,100.63 | 25,226.94 |
| <u>Current</u> | | |
| Unbilled revenue (See note below) | 6,740.89 | 4,028.92 |
| Insurance claims | 63.02 | - |
| Total | 6,803.91 | 4,028.92 |
| Note: Unbilled revenue is classified as financial asset as right to consideration is unconditional upon passage of time. | | |
| 11: Income tax assets (net) | | |
| <u>Non-current</u> | | |
| Income tax paid (net of provisions) | 1,600.38 | 1,786.58 |
| Total | 1,600.38 | 1,786.58 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 12 : Other assets | | |
| <u>Non-current</u> | | |
| Capital advances | 1,638.64 | 246.09 |
| Balances with government authorities | | |
| - Balances in service tax, VAT and GST accounts | 569.22 | 763.57 |
| Prepayments - others | - | 0.20 |
| Total | 2,207.86 | 1,009.86 |
| <u>Current</u> | | |
| Advance to suppliers | 13,674.53 | 7,737.31 |
| Balances with government authorities | | |
| - Balances in Service tax , VAT & GST accounts | 4,101.42 | 1,059.47 |
| Prepayments - others | 1,063.57 | 741.46 |
| Capital Advances | - | |
| Total | 18,839.52 | 9,538.24 |
| 13: Inventories | | |
| (at lower of cost and net realisable value) | | |
| Construction materials | 16,994.94 | 9,883.66 |
| Work-in-progress | 24,546.64 | 18,170.92 |
| Total | 41,541.58 | 28,054.58 |
| 14 : Trade receivables | | |
| (Unsecured, considered good, unless otherwise stated) | | |
| <u>Current</u> | | |
| Considered good | 18,709.25 | 24,396.29 |
| Considered doubtful | 22.90 | 157.18 |
| Sub-total | 18,732.15 | 24,553.47 |
| Less: Allowance for expected credit losses | 269.93 | 157.18 |
| Total | 18,462.22 | 24,396.29 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|---|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 15: Cash and cash equivalents | | |
| Balances with banks | | |
| in Current accounts | 59.07 | 304.45 |
| in Cash credit accounts | 0.69 | 5.70 |
| Cash on hand | 3.65 | 1.36 |
| Bank deposits with original maturity for less than 3 months | - | 1,411.20 |
| Total | 63.41 | 1,722.71 |
| 16: Other bank balances | | |
| Bank deposits with original maturity period of more than 3 months but less than 12 months | 519.60 | 1,978.51 |
| Bank deposits with original maturity for more than 12 months | 660.59 | 1,026.18 |
| | 1,180.19 | 3,004.69 |
| Less: Amount disclosed under Note 10 - 'Other financial assets-Non current' | 226.65 | 257.73 |
| Total | 953.54 | 2,746.96 |
| Notes: | | |
| Other bank balances include margin money deposits kept as security against bank guarantee as under: | | |
| a) Bank deposits with original maturity for more than 3 months but less than 12 months | 19.87 | 1,857.67 |
| b) Bank deposits with original maturity for more than 12 months | 522.16 | 513.85 |



INOX WIND INFRASTRUCTURE SERVICES LIMIT
Notes to the consolidated financial statements for the period ended 31 March 2019
17: Equity share capital
(Rs. in Lakhs)

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| Authorised capital | | |
| 6,00,00,000 (31 March 2018: 50,000) equity shares of Rs. 10 each | 6,000.00 | 5.00 |
| Issued, subscribed and paid up | | |
| 5,73,89,450 (31 March 2018: 50,000) equity shares of Rs. 10 each | 5,738.95 | 5.00 |
| | 5,738.95 | 5.00 |

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

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---|---------------------|--------------------------|---------------------|--------------------------|
| | No. of shares | Amount (Rs. in lakhs) | No. of shares | Amount (Rs. in lakhs) |
| Outstanding at the beginning of the year | 50,000 | 5.00 | 50,000 | 5.00 |
| Shares issued during the year | 573,39,450 | 5,733.95 | - | - |
| Outstanding at the end of the year | 573,89,450 | 5,738.95 | 50,000 | 5.00 |

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

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

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(c) Shares held by holding company

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|----------------------|---------------------|--------------------------|---------------------|--------------------------|
| | No. of shares | Amount (Rs. in lakhs) | No. of shares | Amount (Rs. in lakhs) |
| Inox Wind Limited(*) | 573,89,450 | 5,738.95 | 50,000 | 5.00 |

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

| Name of Shareholder | As at 31 March 2019 | | As at 31 March 2018 | |
|----------------------|---------------------|--------------|---------------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Inox Wind Limited(*) | 573,89,450 | 100% | 50,000 | 100% |

(*) Including shares held through nominee shareholders.

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED**Notes to the consolidated financial statements for the period ended 31 March 2019****18: Other equity**

| Particulars | (Rs. in Lakhs) | |
|------------------------------|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Debenture redemption reserve | 1,800.00 | 1,800.00 |
| Security Premium Reserve | 4,214.98 | - |
| Retained earnings | (10,110.94) | (4,915.26) |
| Total | (4,095.96) | (3,115.26) |

18 (i) Debenture redemption reserve

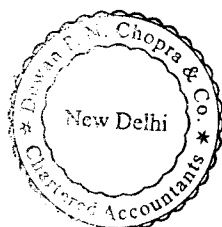
| | | |
|---------------------------------------|-----------------|-----------------|
| Balance at beginning of the year | 1,800.00 | 1,800.00 |
| Transfer from retained earnings | - | - |
| Balance at the end of the year | 1,800.00 | 1,800.00 |

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

18 (ii) Retained earnings:

| | | |
|--|--------------------|-------------------|
| Surplus/(Deficit) at beginning of the year | (4,915.26) | 695.36 |
| Profit/(loss) for the year | (5,253.39) | (5,664.32) |
| Other comprehensive income for the year, net of income tax | 57.71 | 53.70 |
| Transfer to Debenture redemption reserve | - | - |
| Balance at the end of the year | (10,110.94) | (4,915.26) |

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 19: Non current borrowings | | |
| Secured loans | | |
| a) Debentures | | |
| Redeemable non convertible debentures | 15,858.59 | 26,084.09 |
| Optionally convertible debentures - Liability portion of compound financial instrument | 37,217.74 | 44,884.01 |
| b) Rupee term loans | | |
| From banks | 24,475.91 | 10,209.80 |
| Total | 77,552.24 | 81,177.90 |
| Less: Disclosed under Note 20: Other current financial liabilities - | | |
| - Current maturities of non-current borrowings | (23,811.21) | (24,889.41) |
| - Interest accrued | (1,112.50) | (1,432.43) |
| Total | 52,628.53 | 54,856.06 |

For terms of repayment and securities etc. Refer Note 19



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

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

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

| Month | (Rs. in Lakhs) |
|--------|------------------|
| | Principal |
| Sep-19 | 5,000.00 |
| Mar-20 | 5,000.00 |
| Sep-20 | 5,000.00 |
| | 15,000.00 |

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

b) Rupee term loan from Axis Finance Ltd:-

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

| Month | (Rs. in Lakhs) |
|--------|-----------------|
| | Principal |
| Aug-20 | 5,056.16 |
| | 5,056.16 |

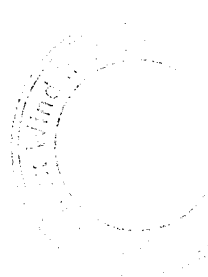
c) Rupee term loan from Yes Bank Ltd:-

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 @ 9.60% p.a. Principal repayment pattern of the loan is as under:

| Month | (Rs. in Lakhs) |
|--------|-----------------|
| | Principal |
| Jul-19 | 500.0 |
| Jan-20 | 2,000.0 |
| Jul-20 | 2,000.0 |
| Jan-21 | 2,500.0 |
| Jul-21 | 2,500.0 |
| | 9,500.00 |

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% p.m. Principal repayment pattern of the loan is as under:



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019
19: Terms of repayment and securities etc. (Continue)

| Month | (Rs. in Lakhs) |
|--------------|-----------------|
| | Principal |
| Apr-19 | 148.7 |
| Jul-19 | 300.0 |
| Oct-19 | 300.0 |
| Jan-20 | 300.0 |
| Apr-20 | 300.0 |
| Jul-20 | 550.0 |
| Oct-20 | 550.0 |
| Jan-21 | 550.0 |
| Apr-21 | 550.0 |
| Jul-21 | 700.0 |
| Oct-21 | 700.0 |
| Jan-22 | 700.0 |
| Apr-22 | 700.0 |
| Jul-22 | 800.0 |
| Oct-22 | 800.0 |
| Jan-23 | 800.0 |
| Apr-23 | 800.0 |
| Jul-23 | 400.0 |
| Total | 9,948.73 |

e) Debentures (unsecured) :-

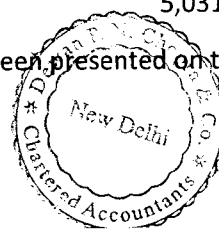
The debentures of Rs. 1,000 each, fully paid up, are issued to the holding company, at par, and carry interest @ 4% p.a. The entire amount of debentures is convertible into fully paid up equity shares of Rs. 10 each at the option of the debenture holder, at the end of the term of the respective debentures.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

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

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

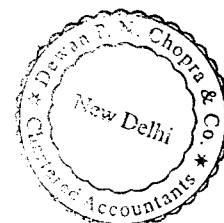
| Particulars | (Rs. in Lakhs) | |
|--|---------------------|---------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Face value of debentures issued | 40,000.00 | 50,000.00 |
| Less: Equity component of optionally convertible debentures | 5,031.62 | 5,031.62 |
| | 34,968.38 | 44,968.38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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 20: Other financial liabilities | | |
| <u>Non-current</u> | | |
| Derivative financial liabilities | 1,517.12 | 2,651.24 |
| Total | 1,517.12 | 2,651.24 |
| <u>Current</u> | | |
| Current maturities of non-current borrowings (Refer Note 19) | 23,811.21 | 24,889.41 |
| Interest accrued | 2,919.48 | 1,702.25 |
| Creditors for capital expenditure | 3,118.88 | 3,957.70 |
| Consideration payable for business combinations | 1,198.00 | 1,248.00 |
| Employee dues payables | 615.70 | 659.22 |
| Expenses payables | 66.37 | 59.24 |
| Total | 31,729.63 | 32,515.82 |
| 21: Provisions | | |
| <u>Non-current</u> | | |
| Provision for employee benefits (Refer Note 38) | | |
| Gratuity | 121.33 | 143.82 |
| Compensated absences | 53.85 | 89.08 |
| Total | 175.18 | 232.90 |
| <u>Current</u> | | |
| Provision for employee benefits (Refer Note 38) | | |
| Gratuity | 3.72 | 7.16 |
| Compensated absences | 38.02 | 68.41 |
| Total | 41.74 | 75.57 |

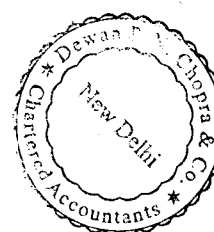


INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|---------------------------|-------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 22. Deferred tax assets (Net) | | |
| Deferred tax assets | 3,220.03 | 71.89 |
| Deferred tax liabilities | - | - |
| | <u>(3,220.03)</u> | <u>(71.89)</u> |
| Less: MAT Credit entitlement, Transferred from Tax Assets | - | - |
| Total | <u>3,220.03</u> | <u>71.89</u> |
| 23: Other Liabilities | | |
| <u>Non-current</u> | | |
| Income received in advance | 9,962.25 | 5,493.12 |
| Total | <u>9,962.25</u> | <u>5,493.12</u> |
| <u>Current</u> | | |
| Advances received from customers | 9,707.95 | 4,075.37 |
| Income received in advance | 1,320.35 | 1,197.66 |
| Statutory dues and taxes payable | 1,418.90 | 1,076.30 |
| Total | <u>12,447.20</u> | <u>6,349.33</u> |
| 24: Current borrowings | | |
| Unsecured borrowings | | |
| From banks | | |
| - Cash Credit* | 4,878.44 | - |
| Un secured Loan from others (interest free) | 2,303.00 | |
| Inter-corporate deposits from holding company** | 33,581.38 | 16,145.96 |
| | <u>40,762.82</u> | <u>16,145.96</u> |
| Less: Disclosed under Note 20: Other current financial liabilities - | | |
| - Interest accrued | (1,806.98) | (269.82) |
| Total | <u>38,955.84</u> | <u>15,876.14</u> |
| <u>Terms of repayment</u> | | |

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|---------------------------------------|---------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| 25: Trade payables | | |
| <u>Current</u> | | |
| - Dues to micro and small enterprises | 61.65 | 69.26 |
| - Dues to others | 37,742.84 | 32,568.57 |
| Total | 37,804.49 | 32,637.83 |

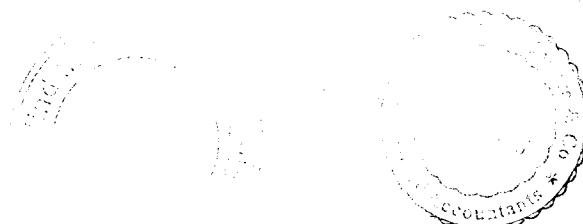
The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (**MSMED Act**):

| Particulars | 2018-2019 | 2017-2018 |
|--|-----------|-----------|
| Principal amount due to suppliers under MSMED Act at the year end | 61.65 | 69.26 |
| Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end. | 40.19 | 11.04 |
| Payment made to suppliers (other than interest) beyond the appointed date during the year | 103.46 | 430.87 |
| Interest paid to suppliers under section 16 of MSMED Act during the year | - | - |
| Interest due and payable to suppliers under MSMED Act for payments already made. | 13.04 | 9.13 |
| Interest accrued and not paid to suppliers under MSMED Act up to the year end | 131.00 | 77.78 |

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

26: Current tax liabilities (Net)**Current tax liability**

| | | |
|--|-------------|-------------|
| Provision for Income tax (net of payments) | 0.01 | 0.08 |
| Total | 0.01 | 0.08 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

22A : Deferred tax assets/(liabilities)

Year ended 31 March 2019

Deferred tax assets/(liabilities) in relation to:

(Rs. in Lakhs)

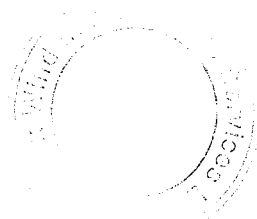
| Particulars | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Adjusted against current tax liability | Closing balance |
|---|-------------------|------------------------------|--|--|-----------------|
| Property, plant and equipment | (0.93) | 948.80 | - | - | 947.87 |
| Straight lining of O & M revenue | (10,085.29) | (2,648.95) | - | - | (12,734.24) |
| Allowance for expected credit losses | 49.00 | 37.32 | - | - | 86.32 |
| Defined benefit obligations | 107.79 | (0.99) | (30.99) | - | 75.81 |
| Equity component of Compound financial instrument | (1,741.34) | (16.91) | - | - | (1,758.25) |
| Business loss | 8,742.65 | 4,420.32 | - | - | 13,162.97 |
| Other deferred tax assets | 747.99 | 439.54 | - | - | 1,187.53 |
| Other deferred tax liabilities | (68.03) | - | - | - | (68.03) |
| | (2,248.16) | 3,179.13 | (30.99) | - | 899.98 |
| MAT credit entitlement | 2,320.05 | - | - | - | 2,320.05 |
| Total | 71.89 | 3,179.13 | (30.99) | - | 3,220.03 |

Year ended 31 March 2018

Deferred tax assets/(liabilities) in relation to:

(Rs. in Lakhs)

| Particulars | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Adjusted against current tax liability | Closing balance |
|---|-------------------|------------------------------|--|--|-------------------|
| Property, plant and equipment | (502.65) | 501.72 | - | - | (0.93) |
| Intangible assets | - | - | - | - | - |
| Straight lining of O & M revenue | (5,978.16) | (4,107.13) | - | - | (10,085.29) |
| Allowance for expected credit losses | 47.53 | 1.47 | - | - | 49.00 |
| Defined benefit obligations | 108.82 | 27.82 | (28.85) | - | 107.79 |
| Equity component of Compound financial instrument | (1,741.34) | - | - | - | (1,741.34) |
| Business loss | 3,409.24 | 5,333.41 | - | - | 8,742.65 |
| Other deferred tax assets | 61.95 | 686.04 | - | - | 747.99 |
| Other deferred tax liabilities | - | (68.03) | - | - | (68.03) |
| | (4,594.61) | 2,375.30 | (28.85) | - | (2,248.16) |
| MAT credit entitlement | 2,320.05 | - | - | - | 2,320.05 |
| Total | (2,274.56) | 2,375.30 | (28.85) | - | 71.89 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

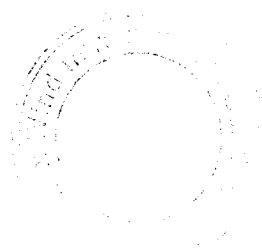
Notes to the consolidated financial statements for the year ended 31 March 2019

22A : Deferred tax balances

The Group has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

| Nature of tax loss | Financial Year | Gross amount as at 31 March 2019 (Rs. in Lakhs) | Expiry date |
|-------------------------|----------------|--|-------------|
| Business Losses | 2015-16 | 364.23 | 2023-24 |
| | 2016-17 | 451.81 | 2023-24 |
| | 2017-18 | 868.89 | 2025-26 |
| | 2018-19 | 1,112.46 | 2026-27 |
| Unabsorbed depreciation | 2015-16 | 1.51 | NA |
| | 2016-17 | 2.00 | NA |
| | 2017-18 | 3.10 | NA |
| | 2018-19 | 2.64 | NA |

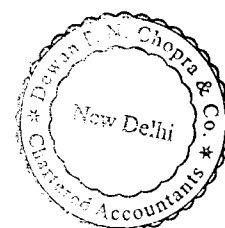
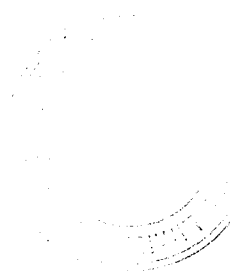
No deferred tax liability has been recognised in respect of undistributed earnings of the subsidiaries as in the opinion of the management, the parent is able to control the timing of the temporary differences and the temporary differences will not reverse in the foreseeable future.



INOX WIND INFRASTRUCTURE SERVICES LIMITED

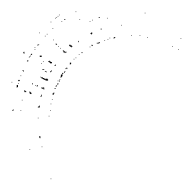
Notes to the consolidated financial statements for the period ended 31 March 2019

| Particulars | (Rs. in Lakhs) | |
|--|------------------|------------------|
| | 2018-2019 | 2017-2018 |
| 27: Revenue from Operations | | |
| Sale of services | 20,763.34 | 32,947.68 |
| Other operating revenue | 54.98 | 3,833.57 |
| Total | 20,818.32 | 36,781.25 |
| 28: Other Income | | |
| a) Interest income | | |
| Interest income calculated using the effective interest method: | | |
| On fixed deposits with banks | 124.65 | 155.57 |
| On Inter-corporate deposits | 1.71 | 0.09 |
| On long term investment | - | - |
| Other interest income | | |
| On Income tax refunds | 111.80 | 1.11 |
| | 238.16 | 156.77 |
| b) Other gains | | |
| Net gains on derivative portion of compound financial instrument | - | - |
| c) Gain on investment carried at FVTPL | | |
| Gain on fair valuation of investment in Mutual Fund | 6.66 | |
| d) Other non operating income | | |
| Insurance claims | - | 34.96 |
| Total | 244.82 | 191.73 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the year ended 31 March 2019
(Rs. in Lakhs)

| Particulars | 2018-2019 | 2017-2018 |
|---|-------------------|------------------|
| 29: EPC, O&M, Common infrastructure facility and site development expenses | | |
| Construction material consumed | 1,359.56 | 544.80 |
| Cost of booster packages | - | 3,642.86 |
| Equipments & machinery hire charges | 4,286.49 | 2,678.51 |
| Subcontractor cost | 5,036.22 | 5,253.69 |
| Cost of lands | 627.76 | 3,278.55 |
| O&M repairs | 2,195.95 | 3,361.10 |
| Legal & professional fees & expenses | 337.38 | 429.90 |
| Stores and spares consumed | 125.82 | 364.15 |
| Rates & taxes and regulatory fees | 442.87 | 379.40 |
| Rent | 366.46 | 346.08 |
| Labour charges | 121.25 | 131.98 |
| Insurance | 548.15 | 416.63 |
| Security charges | 1,300.46 | 1,581.32 |
| Travelling & conveyance | 1,771.51 | 1,878.50 |
| Miscellaneous expenses | 294.21 | 93.59 |
| Total | 18,814.09 | 24,381.06 |
| 30: Changes in inventories of work in progress | | |
| Opening inventory | | |
| Project development, erection and commissioning work | 17,788.52 | 23,203.18 |
| Common infrastructure facilities | 382.40 | 382.40 |
| | 18,170.92 | 23,585.58 |
| On acquisition through business combinations | - | - |
| Less : Closing inventory | | |
| Project development, erection and commissioning work | 24,169.97 | 17,788.52 |
| Common infrastructure facilities | 382.41 | 382.40 |
| | 24,552.38 | 18,170.92 |
| (Increase) / decrease in stock | (6,381.46) | 5,414.66 |
| 31: Employee benefits expense | | |
| Salaries and wages | 2,467.92 | 2,861.41 |
| Contribution to provident and other funds | 93.09 | 105.05 |
| Gratuity | 75.40 | 95.53 |
| Staff welfare expenses | 428.63 | 499.94 |
| Total | 3,065.04 | 3,561.93 |



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

| | (Rs. in Lakhs) | |
|--|------------------|-----------------|
| Particulars | 2018-2019 | 2017-2018 |
| 32: Finance costs | | |
| a) Interest on financial liabilities carried at amortised cost | | |
| Interest on borrowings | 6,780.79 | 4,203.65 |
| Interest to related parties | - | - |
| b) Interest on income tax & Others | 51.04 | 53.03 |
| c) Other borrowing costs | - | 332.27 |
| Bank Guarantee Charges | 445.05 | |
| Corporate guarantee Charges | 433.82 | |
| d) Unwinding cost of compounding financial instrument | 2,333.73 | 1,997.17 |
| | 10,044.43 | 6,586.12 |
| Less: Interest capitalized | 79.05 | 71.28 |
| Total | 9,965.38 | 6,514.84 |
| The capitalisation rate of funds borrowed is 12% p.a. (previous year 12% p.a.) | | |
| 33: Depreciation and amortisation expense | | |
| Depreciation of property, plant and equipment | 2,797.82 | 1,655.61 |
| Amortisation of intangible assets | 7.81 | 7.77 |
| Total | 2,805.63 | 1,663.38 |
| 34: Other Expenses | | |
| Directors' sitting fees | 10.40 | 8.80 |
| Rent | 36.44 | 33.85 |
| Legal and professional fees and expenses | 146.22 | 188.44 |
| Allowance for expected credit losses | 112.75 | 8.18 |
| Sales commission | - | 10.47 |
| Payment to Auditors | 5.95 | |
| Liquidated damages | 0.50 | 924.81 |
| Net loss on derivative portion of compound financial instrument | 694.92 | 1,573.16 |
| Loss on sale / disposal of property, plant and equipment | - | - |
| Interest on TDS | 3.82 | |
| Liquidated damages | 525.96 | |
| Miscellaneous expenses | 411.98 | 714.80 |
| Total | 1,948.94 | 3,462.51 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

35. Earnings per share

| Particulars | 2018-2019 | 2017-2018 |
|---|------------------|------------------|
| <u>Basic earning/(loss) per share</u> | | |
| Profit/(loss) for the year (Rs. in Lakhs) | (5,296.80) | (5,664.32) |
| Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos) | 245,56,724 | 50,000 |
| Nominal value of each share (in Rs.) | 10.00 | 10.00 |
| Basic earnings/(loss) per share (Rs.) | (21.57) | (11,328.63) |
| <u>Diluted earning/(loss) per share</u> | | |
| Profit/(loss) for the year (Rs. in Lakhs) | (5,296.80) | (5,664.32) |
| Add: Expenses on debentures | 1,518.23 | 1,997.17 |
| Adjusted Profit/(loss) for diluted EPS | (3,778.57) | (3,667.15) |
| Weighted average number of equity shares- (Nos.) | 2867,47,250 | 4348,32,609 |
| Nominal value of each share (in Rs.) | 10.00 | 10.00 |
| Diluted earnings/(loss) per share (Rs.) | (21.57) | (11,328.63) |

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED**Notes to the consolidated financial statements for the year ended 31 March 2019****36. Capital Management**

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

The Group's capital Management objectives are:

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

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

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

| Particulars | (Rs. in Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Total debt | 1,18,315.06 | 97,323.86 |
| Less: Cash and bank balances (excluding bank deposits kept as lien) | 701.57 | 2,355.88 |
| Net debt | 1,17,613.49 | 94,967.98 |
| Total Equity | 4,894.75 | 180.02 |
| Net debt to equity ratio | 2402.85% | 52754.13% |

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

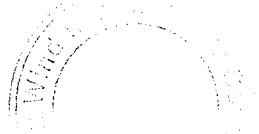
37. Financial Instruments
(i) Categories of financial instruments

| | As at 31 March 2019 | As at 31 March 2018 |
|--|------------------------|------------------------|
| (a) Financial assets | | |
| Measured at amortised cost | | |
| (a) Cash and bank balances | 1,243.60 | 4,727.40 |
| (b) Trade receivables | 18,462.22 | 24,396.29 |
| (c) Loans | 1,245.22 | 1,269.14 |
| (d) Investments | - | - |
| (e) Other financial assets | 37,677.89 | 28,998.13 |
| | 58,628.93 | 59,390.96 |
| Measured at fair value through profit or loss (FVTPL) | | |
| (a) Investment in mutual funds | 133.66 | - |
| | 133.66 | - |
| Total | 58,762.59 | 59,390.96 |
| (b) Financial liabilities | | |
| Measured at fair value through profit or loss (FVTPL) | | |
| Derivative financial liabilities | 1,517.12 | 2,651.24 |
| Measured at amortised cost | | |
| (a) Borrowings | 1,18,315.06 | 97,323.86 |
| (b) Trade payables | 37,804.49 | 32,637.83 |
| (c) Other financial liabilities | 4,998.94 | 5,924.16 |
| | 1,61,118.49 | 1,35,885.85 |

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

(ii) Financial risk management

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

37. Financial Instruments**(iii) Market Risk**

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. The Group does not have any foreign currency exposure and hence is not subject to foreign currency risks. The entire borrowing of the Group is at a fixed rate. Hence the Group is not subject to any interest rate risks. Further, the Group does not have any investments other than strategic investments in subsidiaries and investment in NSC and hence is not subject to other price risks.

(iv) Interest rate risk management

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

Interest rate sensitivity analysis

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

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

(v) Other price risks

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

(vi) Credit risk management

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

a) Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. The Company is providing O&M services and is having long term contracts with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March, 2019 is Rs. 8,768.64 lakhs (as at 31 March, 2018 of Rs. 16,652.03 lakhs) are due from 7 major customers who are reputed parties. All trade receivables are reviewed and assessed for default on a quarterly basis.

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

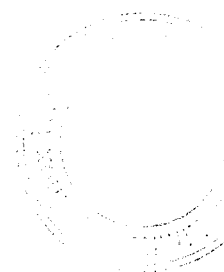
| Ageing | Expected credit losses (%) | |
|----------------|----------------------------|---------|
| | 2018-19 | 2017-18 |
| 0-180 days | 0.10% | NIL |
| 181-365 days | 0.50% | 0.50% |
| Above 365 days | 1.50% | 1.50% |

Age of receivables (Rs. in Lakhs)

| Particulars | As at | As at |
|--------------------------------|------------------|------------------|
| | 31 March 2019 | 31 March 2018 |
| 0-180 days | 1,649.54 | 11,319.35 |
| 181-365 days | 986.13 | 6,105.74 |
| Above 365 days | 16,096.48 | 7,128.38 |
| Gross trade receivables | 18,732.15 | 24,553.47 |

Movement in the expected credit loss allowance : (Rs. in Lakhs)

| Particulars | As at | As at |
|--|---------------|---------------|
| | 31 March 2019 | 31 March 2018 |
| Balance at beginning of the year | 157.18 | 149.00 |
| Movement in expected credit loss allowance | 112.75 | 8.18 |
| Balance at end of the year | 269.93 | 157.18 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

37. Financial Instruments**b) Loans and Other Receivables**

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Group to the external parties. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

The Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

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

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

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

c) other financial assets

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

(vii) Liquidity Risk Management

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

Liquidity risk table

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

a) Non-Derivative Financial Liabilities :

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

(Rs. in Lakhs)

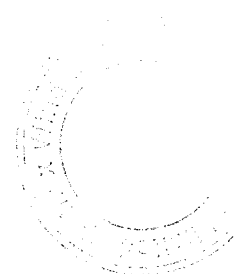
| Particulars | Less than 1 year | 1 to 5 year | 5 years and above | Total |
|----------------------------------|------------------|-------------|-------------------|-------------|
| Borrowings | 62,767.05 | 52,628.53 | - | 1,15,395.58 |
| Trade payables | 37,804.49 | - | - | 37,804.49 |
| Derivative financial liabilities | - | 1,517.12 | - | 1,517.12 |
| Other financial liabilities | 7,918.42 | - | - | 7,918.42 |
| | 1,08,489.96 | 54,145.65 | - | 1,62,635.61 |

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

(Rs. in Lakhs)

| Particulars | Less than 1 year | 1 to 5 year | 5 years and above | Total |
|----------------------------------|------------------|-------------|-------------------|-------------|
| Borrowings | 40,765.55 | 54,856.06 | - | 95,621.61 |
| Trade payables | 32,637.83 | - | - | 32,637.83 |
| Derivative financial liabilities | - | 2,651.24 | - | 2,651.24 |
| Other financial liabilities | 7,626.41 | - | - | 7,626.41 |
| | 81,029.79 | 57,507.30 | - | 1,38,537.09 |

The above liabilities will be met by the Group from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Group also has unutilised financing facilities



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the consolidated financial statements for the period ended 31 March 2019

37. Financial Instruments - continued

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

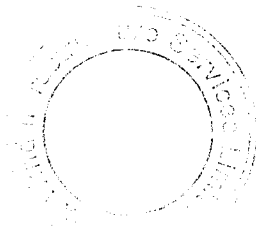
(Rs. in Lakhs)

| Financial assets/(Financial liabilities) | Fair Value as at | | Fair Value Hierarchy | Valuation Technique(s) & key inputs used | Significant unobservable input(s) | Relationship of unobservable inputs to fair value |
|---|------------------|---------------|----------------------|--|-----------------------------------|---|
| | 31 March 2019 | 31 March 2018 | | | | |
| (a) Optionally convertible debentures (Refer Note 20) | (1,517.12) | (2,651.24) | Level 2 | Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties. | NA | NA |
| b) Investment in Mutual Fund (see note 8) | 133.66 | - | Level 2 | The use of net asset value (NAV) for the mutual fund on the basis of the statement received from the investee party. | NA | NA |

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED**Notes to the consolidated financial statements for the year ended 31 March 2019****38. Employee benefits:****(a) Defined Contribution Plans**

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

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

(b) Defined Benefit Plans:

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

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

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

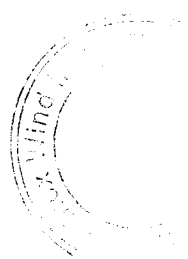
(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

38. Employee benefits:

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

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

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

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

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

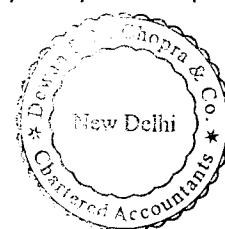
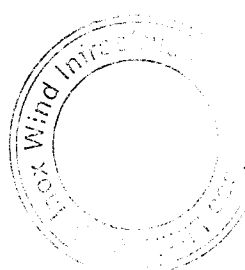
Sensitivity analysis

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

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

38. Employee benefits:

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

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

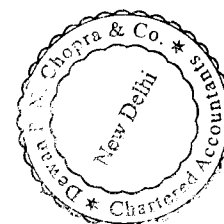
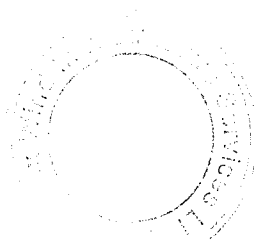
The average duration of the defined benefit plan obligation at the end of the reporting period is 10.89 years.

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

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

39: Balance Confirmation

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

40: Contingent liabilities

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

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

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

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

41: Capital & Other Commitments

Capital Commitments

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

Other Commitments

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

42: Operating lease arrangements

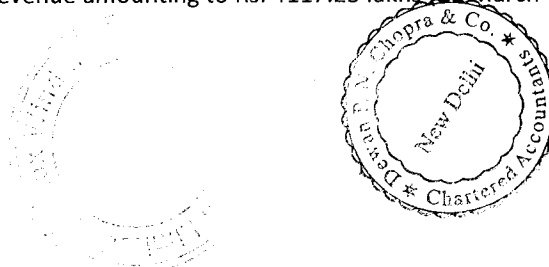
a) Leasing arrangements in respect of operating lease for office premises / residential premises:

The Group's significant lease agreements are for a period of 11/60 months and are cancellable. The aggregate lease rentals are charged as "Rent" in the Consolidated Statement of Profit and Loss.

43: Segment Information

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

One customers contributed more than 10% of the total Group's revenue amounting to Rs. 4117.23 lakhs (31 March 2018: Rs.11,787.11 lakhs).



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

44. Income tax recognised in Statement of Profit and Loss

| Particulars | (Rs. in Lakhs) | |
|--|-----------------------|-------------------|
| | 2018-2019 | 2017-2018 |
| Current tax | | |
| In respect of the current year | - | - |
| Minimum Alternate Tax (MAT) credit | - | - |
| Taxation pertaining to earlier years | - | 12.65 |
| | - | 12.65 |
| Deferred tax | | |
| In respect of the current year | (3,179.13) | (2,365.14) |
| Taxation pertaining to earlier years | - | (10.15) |
| | (3,179.13) | (2,375.29) |
| Total income tax expense recognised in the current year | (3,179.13) | (2,362.64) |

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

| Particulars | 2018-2019 | 2017-2018 |
|--|-------------------|-------------------|
| Profit before tax | (8,475.93) | (8,026.96) |
| Income tax expense calculated at 34.608% (2015-2016: 34.608%) | (3,140.33) | (2,777.97) |
| Effect of expenses that are not deductible in determining taxable profits | - | 290.58 |
| Effect on deferred tax balances due to the change in income tax rate from 34.608% to 34.944% / from 33.063% to 34.608% | - | 21.34 |
| Deferred tax on losses of subsidiaries not recognised | - | 21.07 |
| Others | (38.80) | 79.84 |
| | (3,179.13) | (2,365.14) |
| Taxation pertaining to earlier years | - | 2.50 |
| Income tax expense recognised in Statement of Profit and Loss | (3,179.13) | (2,362.64) |

The tax rate used for the years ended 31 March 2019 in reconciliation is 34.944% and for year ended 31 March 2018 is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

45. Related Party Disclosures:

i. Where control exists

Inox Wind Limited

Gujarat Fluorochemicals Limited (GFL) - holding company

Inox Leasing and Finance Limited - ultimate holding company

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

Key Management Personnel (KMP)

Mr. Manoj Dixit - whole-time director in Inox Wind Infrastructure Services Limited

Mr. Vineet Davis - whole-time director in Inox Wind Infrastructure Services Limited

Mr. Mukesh Manglik - Non Executive Director in Inox Wind Infrastructure Services Limited

Mr. Bhupesh Juneja - Non Executive Director in Marut Shakti Energy India Limited

Mr. Mukesh Patni - Non Executive Director in Marut Shakti Energy India Limited

Associates

1. Khatiyu Wind Energy Private Limited (Upto 15 December 2018)*

3. Ravapar Wind Energy Private Limited (Upto On 15 December 2018)*

5. Nani Virani Wind Energy Private Limited (Upto On 15 December 2018)*

7. Wind Four Renergy Private Limited

2. Wind One Renergy Private Limited (w.e.f. 29 November 2018)**

4. Wind Three Renergy Private Limited (w.e.f. 29 November 2018)**

6. Wind Two Renergy Private Limited

8. Wind Five Renergy Private Limited

Fellow Subsidiaries

Inox Renewables Limited (IRL) - Subsidiary of GFL

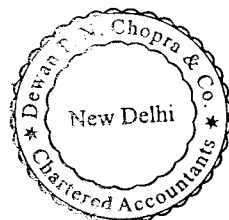
Inox Renewables (Jaisalmer) Limited - Subsidiary of IRL #

Inox Leisure Limited (ILL) - Subsidiary of GFL

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED

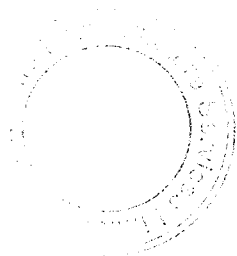
Notes to the consolidated financial statements for the year ended 31 March 2019

45. Related Party Disclosures:

The following table summarizes related-party transactions and balances included in the consolidated financial statements:

(Rs. in Lakhs)

| Particulars | Holding company | | Associates | | Fellow subsidiaries | | Total | |
|--|------------------|------------------|-----------------|-------------|---------------------|-----------------|------------------|------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| A) Transactions during the year | | | | | | | | |
| Sale of goods and services | | | | | | | | |
| Inox Wind Limited | 4,505.53 | 7,594.48 | | | | | 4,505.53 | 7,594.48 |
| Gujarat Fluorochemicals Limited | 468.91 | 444.13 | | | | | 468.91 | 444.13 |
| Wind Three Renergy Pvt. Ltd. | | | 3,393.22 | | | | 3,393.22 | - |
| Inox Renewables Limited | | | | | 69.30 | 1,143.54 | 69.30 | 1,143.54 |
| Total | 4,974.44 | 8,038.61 | 3,393.22 | - | 69.30 | 1,143.54 | 8,436.96 | 9,182.15 |
| Purchase of goods and services | | | | | | | | |
| Inox Wind Limited | 4,457.67 | 4,623.00 | | | | | 4,457.67 | 4,623.00 |
| Inox Renewables Limited | | | | | 87.50 | - | 87.50 | - |
| Total | 4,457.67 | 5,549.27 | - | - | 87.50 | - | 4,545.17 | 5,549.27 |
| Inter-corporate deposits taken | | | | | | | | |
| Inox Wind Limited | 39,473.08 | 54,795.70 | | | | | 39,473.08 | 54,795.70 |
| Gujarat Fluorochemicals Limited | 14,250.00 | - | | | | | 14,250.00 | - |
| Total | 53,723.08 | 54,795.70 | - | - | - | - | 53,723.08 | 54,795.70 |
| Inter-corporate deposits refunded | | | | | | | | |
| Inox Wind Limited | 33,574.82 | 54,160.57 | | | | | 33,574.82 | 54,160.57 |
| Gujarat Fluorochemicals Limited | 4,250.00 | - | | | | | 4,250.00 | - |
| Total | 37,824.82 | 54,160.57 | - | - | - | - | 37,824.82 | 54,160.57 |
| Advance received | | | | | | | | |
| Gujarat Fluorochemicals Limited | 3,300.00 | 1,760.00 | | | | | 3,300.00 | 1,760.00 |
| Inox Renewables Limited | - | - | | | - | 2,150.00 | - | 2,150.00 |
| Total | 3,300.00 | 1,760.00 | - | - | - | 2,150.00 | 3,300.00 | 3,910.00 |
| Inter-corporate deposits given | | | | | | | | |
| Wind Two Renergy Pvt. Ltd. | - | - | - | 0.55 | | | - | 0.55 |
| Wind Four Renergy Pvt. Ltd. | - | - | - | 0.55 | | | - | 0.55 |
| Wind Five Renergy Pvt. Ltd. | - | - | - | 0.55 | | | - | 0.55 |
| Wind One Renergy Pvt. Ltd. | - | - | 0.11 | - | | | 0.11 | - |
| Wind Three Renergy Pvt. Ltd. | - | - | 51.44 | - | | | 51.44 | - |
| Total | - | - | 51.55 | 1.65 | - | - | 51.55 | 1.65 |

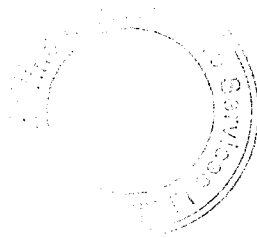


INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the year ended 31 March 2019

45. Related Party Disclosures:

(Rs. in Lakhs)

| Particulars | Holding company | | Associates | | Fellow subsidiaries | | Total | |
|---|-----------------|-----------------|-------------|-------------|---------------------|-------------|-----------------|-----------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| A) Transactions during the year-cont. | | | | | | | | |
| Inter-corporate deposits received Back | | | | | | | | |
| Wind Two Renergy Pvt. Ltd. | | | 0.85 | - | | | 0.85 | - |
| Wind Four Renergy Pvt. Ltd. | | | 0.85 | - | | | 0.85 | - |
| Wind Five Renergy Pvt. Ltd. | | | 0.85 | - | | | 0.85 | - |
| Total | | | 2.55 | | | | 2.55 | |
| Interest paid | | | | | | | | |
| Inox Wind Limited | | | | | | | | |
| -On inter-corporate deposit | 2,007.76 | 1,297.11 | | | | | 2,007.76 | 1,297.11 |
| -On debentures | 1,829.04 | 2,000.00 | | | | | 1,829.04 | 2,000.00 |
| Gujarat Fluorochemicals Limited | | | | | | | - | - |
| -On inter-corporate deposit | 387.14 | - | | | | | 387.14 | - |
| Total | 4,223.94 | 3,297.11 | | | | | 4,223.94 | 3,297.11 |
| Guarantee Charges paid | | | | | | | | |
| Gujarat Fluorochemicals Limited | 918.94 | 219.55 | | | | | 918.94 | 219.55 |
| Interest received | | | | | | | | |
| Wind Two Renergy Pvt. Ltd. | | - | 0.10 | 0.02 | | | 0.10 | 0.02 |
| Wind Four Renergy Pvt. Ltd. | | - | 0.10 | 0.02 | | | 0.10 | 0.02 |
| Wind Five Renergy Pvt. Ltd. | | - | 0.10 | 0.02 | | | 0.10 | 0.02 |
| Wind One Renergy Pvt. Ltd. | | - | 0.04 | - | | | 0.04 | - |
| Wind Three Renergy Pvt. Ltd. | | - | 1.35 | - | | | 1.35 | - |
| Total | | | 1.68 | 0.06 | | | 1.68 | 0.06 |
| Reimbursement of expenses paid/payment made on behalf of the Group | | | | | | | | |
| Inox Wind Limited | 103.36 | 458.07 | - | - | - | - | 103.36 | 458.07 |
| Inox Renewables Limited | - | - | - | - | 14.78 | 9.17 | 14.78 | 9.17 |
| Gujarat Fluorochemicals Limited | 293.19 | - | - | - | - | - | 293.19 | - |
| Total | 396.55 | 458.07 | | | 14.78 | 9.17 | 416.60 | 467.24 |
| Reimbursement of expenses received/payment made on behalf by the Group | | | | | | | | |
| Inox Wind Limited | 12.47 | 8.42 | | | | - | 12.47 | 8.42 |
| Inox Renewables Limited | 0 | | | | | | | |
| Total | 12.47 | 8.42 | | | | | 12.47 | 8.42 |



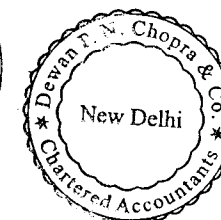
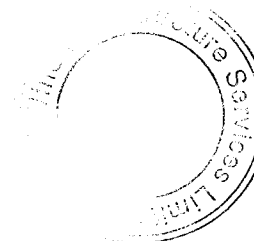
INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

45. Related Party Disclosures:

(Rs. in Lakhs)

| Particulars | Holding company | | Associates | | Fellow subsidiaries | | Total | |
|---|------------------|------------------|-----------------|-------------|---------------------|-----------------|------------------|------------------|
| | 31 Mar 2019 | 31 Mar 2018 | 31 Mar 2019 | 31 Mar 2018 | 31 Mar 2019 | 31 Mar 2018 | 31 Mar 2019 | 31 Mar 2018 |
| B) Balance as at the end of the year | | | | | | | | |
| a) Amounts payable | | | | | | | | |
| Trade and other payables | | | | | | | | |
| Inox Wind Limited | 7,611.38 | 7,050.19 | | | | | 7,611.38 | 7,050.19 |
| Inox Renewables Limited | - | - | | | - | 2,449.77 | - | 2,449.77 |
| Total | 7,611.38 | 7,050.19 | | | - | 2,449.77 | 7,611.38 | 9,499.96 |
| Inter-corporate deposit payable | | | | | | | | |
| Inox Wind Limited | 21,774.39 | 15,876.14 | | | | | 21,774.39 | 15,876.14 |
| Gujarat Fluorochemicals Limited | 10,000.00 | - | | | | | 10,000.00 | - |
| Total | 31,774.39 | 15,876.14 | - | - | - | - | 31,774.39 | 15,876.14 |
| Debentures | | | | | | | | |
| Inox Wind Limited | 40,000.00 | 50,000.00 | | | | | 40,000.00 | 50,000.00 |
| Interest payable on inter-corporate deposit | | | | | | | | |
| Inox Wind Limited | 1,806.98 | 269.82 | | | | | 1,806.98 | 269.82 |
| Interest payable on debentures | | | | | | | | |
| Inox Wind Limited | 581.92 | 735.78 | | | | | 581.92 | 735.78 |
| b) Amount receivable | | | | | | | | |
| Trade receivable | | | | | | | | |
| Gujarat Fluorochemicals Limited | 185.58 | - | | | | | 185.58 | - |
| Inox Wind Limited | 157.22 | - | | | | | 157.22 | - |
| Inox Renewables Limited | - | - | | | 361.12 | 526.44 | 361.12 | 526.44 |
| Wind Three Renergy Private Limited | - | - | 3,504.19 | - | | | 3,504.19 | - |
| Total | 342.80 | - | 3,504.19 | - | 361.12 | 526.44 | 4,208.10 | 526.44 |
| Advance received from Customer | | | | | | | | |
| Gujarat Fluorochemicals Limited | 5,060.00 | 1,760.00 | | | | | 5,060.00 | 1,760.00 |
| Inox Renewables Limited | - | - | | | 2,150.00 | 2,150.00 | 2,150.00 | 2,150.00 |
| Total | 5,060.00 | 1,760.00 | | | 2,150.00 | 2,150.00 | 7,210.00 | 3,910.00 |
| Inter-corporate deposit receivable | | | | | | | | |
| Wind Two Renergy Pvt. Ltd. | - | - | - | 0.85 | | | - | 0.85 |
| Wind Four Renergy Pvt. Ltd. | - | - | - | 0.85 | | | - | 0.85 |
| Wind Five Renergy Pvt. Ltd. | - | - | - | 0.85 | | | - | 0.85 |
| Wind One Renergy Pvt. Ltd. | - | - | 0.41 | - | | | 0.41 | - |
| Wind Three Renergy Pvt. Ltd. | - | - | 51.74 | - | | | 51.74 | - |
| Total | - | - | 52.15 | 2.55 | | | 52.15 | 2.55 |
| Interest on inter-corporate deposit receivable | | | | | | | | |
| Wind Two Renergy Pvt. Ltd. | - | - | - | 0.03 | | | - | 0.03 |
| Wind Four Renergy Pvt. Ltd. | - | - | - | 0.03 | | | - | 0.03 |
| Wind Five Renergy Pvt. Ltd. | - | - | - | 0.03 | | | - | 0.03 |
| Wind One Renergy Pvt. Ltd. | - | - | 0.06 | - | | | 0.06 | - |
| Wind Three Renergy Pvt. Ltd. | - | - | 0.17 | - | | | 0.17 | - |
| Total | - | - | 0.23 | 0.09 | | | 0.23 | 0.09 |
| Other dues Payable | | | | | | | | |
| Gujarat Fluorochemicals Limited | 1,138.49 | 219.55 | | | | | 1,138.49 | 219.55 |



INOX WIND INFRASTRUCTURE SERVICES LIMITED**Notes to the consolidated financial statements for the year ended 31 March 2019****45. Related Party Disclosures:****C) Guarantees**

During the year, Gujarat Fluorochemicals Limited, the holding company, has issued guarantee and provided security in respect of borrowings by Inox Wind Infrastructure Services Limited. The outstanding balances of such borrowings as at 31 March 2019 is Rs. 50,383.00 lakh. (Previous Year as at 31 March 2018 is Rs. 36,293.89 lakh)

Notes:

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

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

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

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

(e) Compensation of Key management personnel

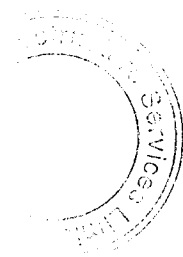
| Particulars | 2018-19 | 2017-18 |
|--------------------------------|--------------|--------------|
| (i) Remuneration paid - | | |
| - Mr. Manoj Dixit | 28.11 | 24.52 |
| - Mr. Vineet Davis | 40.79 | 40.79 |
| Sitting fees paid to directors | 7.40 | 8.80 |
| Total | 76.30 | 74.11 |

| Particulars | 2018-19 | 2017-18 |
|--------------------------------|--------------|--------------|
| Short term benefits | 68.90 | 65.31 |
| Post employment benefits* | | |
| Long term employment benefits* | | |
| Share based payments | - | - |
| Termination benefits | - | - |
| Sitting fees paid to directors | 7.40 | 8.80 |
| Total | 76.30 | 74.11 |

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the year ended 31 March 2019
46: Details of subsidiaries

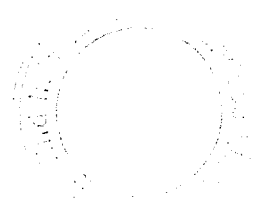
| Name of subsidiary | Place of incorporation and operations | Proportion of ownership interest and voting power held by the Group | |
|---|---------------------------------------|---|---------------------|
| | | As at 31 March 2019 | As at 31 March 2018 |
| A) Subsidiaries of IWISL: | | | |
| Marut 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 Pvt. Ltd. | India | 100.00% | - |
| Ravapar Wind Energy Pvt. Ltd. | India | 100.00% | - |
| Khatiyu Wind Energy Pvt. Ltd. | India | 100.00% | - |
| Sri Pavan Energy Private Limited | India | 51.00% | - |
| Wind One Renegy Private Limited | India | - | 100.00% |
| Wind Three Renegy Private Limited | India | - | 100.00% |
| B) Associates of IWISL: | | | |
| Wind Two Renegy Private Limited | India | 100.00% | 100.00% |
| Wind Four Renegy Private Limited | India | 100.00% | 100.00% |
| Wind Five Renegy Private Limited | India | 100.00% | 100.00% |
| Wind One Renegy Private Limited | India | 100.00% | - |
| Wind Three Renegy Private Limited | India | 100.00% | - |
| Nani Virani Wind Energy Pvt. Ltd. | India | - | 100.00% |
| Ravapar Wind Energy Pvt. Ltd. | India | - | 100.00% |
| Khatiyu Wind Energy Pvt. Ltd. | India | - | 100.00% |

All subsidiaries and associates of IWISL are engaged in the business of providing wind farm development services.

The financial year of the above companies is 1 April to 31 March.

There are no restrictions on the Parent or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

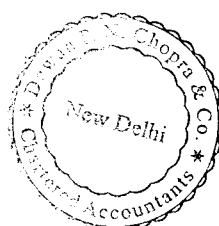
See Note 7 & 45 in respect of particulars of subsidiary companies which have become 'associate' on cessation of control during the year.



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the year ended 31 March 2019
47: Disclosure of additional information as required by the Schedule III:
(a) As at and for the year ended 31 March 2019
(Rs.in Lakhs)

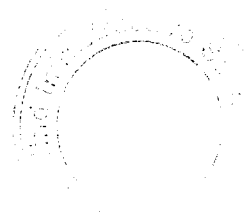
| Name of the entity in the Group | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|--|-----------------|-------------------------------------|-------------------|---|--------------|---|-------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated other comprehensive income | Amount |
| | | | | | | | | |
| Parent | | | | | | | | |
| Inox Wind Infrastructure Services Limited | 75.87% | 3,713.75 | 107.97% | (5,718.93) | 100.00% | 57.71 | 108.96% | (5,661.22) |
| Subsidiaries (Group's share) | | | | | | | | |
| Indian | | | | | | | | |
| Marut Shakti Energy India Limited | (33.83%) | (1,656.08) | 5.40% | (286.11) | 0.00% | - | 5.51% | (286.11) |
| Sarayu Wind Power (Tallimadugula) Private Limited | (2.20%) | (107.44) | 0.51% | (26.81) | 0.00% | - | 0.52% | (26.81) |
| Sarayu Wind Power (Kondapuram) Private Limited | (0.89%) | (43.46) | 0.30% | (15.83) | 0.00% | - | 0.30% | (15.83) |
| Satviki Energy Private Limited | 1.56% | 76.32 | 0.03% | (1.42) | 0.00% | - | 0.03% | (1.42) |
| Vinirrrmaa Energy Generation Private Limited | (2.32%) | (113.51) | 0.41% | (21.89) | 0.00% | - | 0.42% | (21.89) |
| RBRK Investments Limited | (24.87%) | (1,217.39) | 14.40% | (763.00) | 0.00% | - | 14.69% | (763.00) |
| Ripudaman Urja Private Limited | (0.02%) | (1.08) | 0.02% | (0.91) | 0.00% | - | 0.02% | (0.91) |
| Suswind Power Private Limited | (0.35%) | (16.93) | 0.32% | (16.76) | 0.00% | - | 0.32% | (16.76) |
| Vasuprada Renewables Private Limited | (0.02%) | (1.20) | 0.02% | (1.02) | 0.00% | - | 0.02% | (1.02) |
| Vibhav Energy Private Limited | (0.03%) | (1.32) | 0.03% | (1.35) | 0.00% | - | 0.03% | (1.35) |
| Haroda Wind Energy Private Limited | (0.01%) | (0.43) | 0.02% | (0.87) | 0.00% | - | 0.02% | (0.87) |
| Vigodi Wind Energy Private Limited | (0.01%) | (0.40) | 0.02% | (0.87) | 0.00% | - | 0.02% | (0.87) |
| Aliento Wind Energy Private Limited | (0.27%) | (13.33) | 0.26% | (13.96) | 0.00% | - | 0.27% | (13.96) |
| Tempest Wind Energy Private Limited | (0.27%) | (13.34) | 0.26% | (13.96) | 0.00% | - | 0.27% | (13.96) |
| Flurry Wind Energy Private Limited | (0.27%) | (13.34) | 0.26% | (13.96) | 0.00% | - | 0.27% | (13.96) |
| Vuelta Wind Energy Private Limited | (0.27%) | (13.24) | 0.26% | (13.86) | 0.00% | - | 0.27% | (13.86) |
| Flutter Wind Energy Private Limited | (0.37%) | (17.87) | 0.35% | (18.48) | 0.00% | - | 0.36% | (18.48) |
| Nani Virani Wind Energy Private Limited(*) | 0.00% | (0.02) | 0.01% | (0.67) | 0.00% | - | 0.01% | (0.67) |
| Ravapar Wind Energy Private Limited(*) | 0.00% | (0.02) | 0.01% | (0.67) | 0.00% | - | 0.01% | (0.67) |
| Khatiyu Wind Energy Private Limited(*) | 0.00% | (0.02) | 0.01% | (0.67) | 0.00% | - | 0.01% | (0.67) |
| Sri Pavan Energy Private Limited | (1.61%) | (78.60) | 1.67% | (88.60) | 0.00% | - | 1.71% | (88.60) |
| Non-controlling Interest in subsidiaries | (0.79%) | (38.51) | 0.82% | (43.41) | 0.00% | - | - | - |
| Associates | | | | | | | | |
| Wind Two Renergy Private Limited | (0.06%) | (2.91) | 0.05% | (2.91) | 0.00% | - | 0.06% | (2.91) |
| Wind Four Renergy Private Limited | (0.05%) | (2.61) | 0.05% | (2.61) | 0.00% | - | 0.05% | (2.61) |
| Wind Five Renergy Private Limited | (0.33%) | (16.36) | 0.31% | (16.36) | 0.00% | - | 0.31% | (16.36) |
| Wind One Renergy Private Limited | (0.02%) | (1.00) | 0.02% | (1.00) | 0.00% | - | 0.02% | (1.00) |
| Wind Three Renergy Private Limited | (0.02%) | (1.00) | 0.02% | (1.00) | 0.00% | - | 0.02% | (1.00) |
| Consolidation eliminations / adjustments | 91.45% | 4,476.08 | (33.81%) | 1,791.09 | 0.00% | - | (34.48%) | 1,791.09 |
| Total | 100.00% | 4,894.76 | 100.00% | (5,296.80) | 100.00% | 57.71 | 100.02% | (5,195.68) |

(*) See Note 7 & 45



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the consolidated financial statements for the year ended 31 March 2019
47: Disclosure of additional information as required by the Schedule III:
(b) As at and for the year ended 31 March 2018
(Rs.in Lakhs)

| Name of the entity in the Group | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|--|---------------|-------------------------------------|-------------------|---|--------------|---|-------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated other comprehensive income | Amount |
| Parent | | | | | | | | |
| Inox Wind Infrastructure Services Limited | -318.83% | (573.95) | 102.22% | (5,789.93) | 100.00% | 53.70 | 102.24% | (5,736.23) |
| Subsidiaries (Group's share) | | | | | | | | |
| Indian | | | | | | | | |
| Marut Shakti Energy India Limited | (761.02%) | (1,369.97) | 5.48% | (310.16) | 0.00% | - | 5.53% | (310.16) |
| Sarayu Wind Power (Tallimadugula) Private Limited | (44.79%) | (80.63) | 0.34% | (19.39) | 0.00% | - | 0.35% | (19.39) |
| Sarayu Wind Power (Kondapuram) Private Limited | (15.35%) | (27.63) | 0.27% | (15.19) | 0.00% | - | 0.27% | (15.19) |
| Satviki Energy Private Limited | 43.18% | 77.74 | 0.02% | (1.08) | 0.00% | - | 0.02% | (1.08) |
| Vinirrrmaa Energy Generation Private Limited | (50.90%) | (91.62) | 0.64% | (35.99) | 0.00% | - | 0.64% | (35.99) |
| RBRK Investments Limited | (252.41%) | (454.38) | 8.86% | (501.94) | 0.00% | - | 8.95% | (501.94) |
| Wind One Renergy Private Limited | (0.14%) | (0.25) | 0.02% | (1.25) | 0.00% | - | 0.02% | (1.25) |
| Wind Three Renergy Private Limited | (0.14%) | (0.25) | 0.02% | (1.25) | 0.00% | - | 0.02% | (1.25) |
| Ripudaman Urja Private Limited | (0.09%) | (0.17) | 0.02% | (1.17) | 0.00% | - | 0.02% | (1.17) |
| Suswind Power Private Limited | (0.09%) | (0.17) | 0.02% | (1.17) | 0.00% | - | 0.02% | (1.17) |
| Vasuprada Renewables Private Limited | (0.10%) | (0.18) | 0.02% | (1.18) | 0.00% | - | 0.02% | (1.18) |
| Vibhav Energy Private Limited | 0.02% | 0.03 | 0.02% | (0.97) | 0.00% | - | 0.02% | (0.97) |
| Haroda Wind Energy Private Limited | 0.24% | 0.44 | 0.01% | (0.56) | 0.00% | - | 0.01% | (0.56) |
| Vigodi Wind Energy Private Limited | 0.26% | 0.47 | 0.01% | (0.53) | 0.00% | - | 0.01% | (0.53) |
| Aliento Wind Energy Private Limited | 0.32% | 0.58 | 0.01% | (0.42) | 0.00% | - | 0.01% | (0.42) |
| Tempest Wind Energy Private Limited | 0.32% | 0.57 | 0.01% | (0.43) | 0.00% | - | 0.01% | (0.43) |
| Flurry Wind Energy Private Limited | 0.32% | 0.57 | 0.01% | (0.43) | 0.00% | - | 0.01% | (0.43) |
| Vuelta Wind Energy Private Limited | 0.32% | 0.57 | 0.01% | (0.43) | 0.00% | - | 0.01% | (0.43) |
| Flutter Wind Energy Private Limited | 0.32% | 0.57 | 0.01% | (0.43) | 0.00% | - | 0.01% | (0.43) |
| Wind Two Renergy Private Limited | | | 0.01% | (0.83) | 0.00% | - | 0.01% | (0.83) |
| Wind Four Renergy Private Limited | | | 0.01% | (0.83) | 0.00% | - | 0.01% | (0.83) |
| Wind Five Renergy Private Limited | | | 0.01% | (0.83) | 0.00% | - | 0.01% | (0.83) |
| Nani Virani Wind Energy Private Limited | | | 0.00% | - | 0.00% | - | 0.00% | - |
| Ravapar Wind Energy Private Limited | | | 0.00% | - | 0.00% | - | 0.00% | - |
| Khatiyu Wind Energy Private Limited | | | 0.00% | - | 0.00% | - | 0.00% | - |
| Associates | | | | | | | | |
| Wind Two Renergy Private Limited | (0.56%) | (1.00) | 0.00% | (0.17) | 0.00% | - | 0.00% | (0.17) |
| Wind Four Renergy Private Limited | (0.56%) | (1.00) | 0.00% | (0.17) | 0.00% | - | 0.00% | (0.17) |
| Wind Five Renergy Private Limited | (0.56%) | (1.00) | 0.00% | (0.17) | 0.00% | - | 0.00% | (0.17) |
| Nani Virani Wind Energy Private Limited | (0.19%) | (0.35) | 0.01% | (0.35) | 0.00% | - | 0.01% | (0.35) |
| Ravapar Wind Energy Private Limited | (0.19%) | (0.35) | 0.01% | (0.35) | 0.00% | - | 0.01% | (0.35) |
| Khatiyu Wind Energy Private Limited | (0.19%) | (0.35) | 0.01% | (0.35) | 0.00% | - | 0.01% | (0.35) |
| Non-controlling Interest in subsidiaries | | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Consolidation eliminations / adjustments | 1500.80% | 2,701.73 | -18.07% | 1,023.63 | 0.00% | - | (18.25%) | 1,023.63 |
| Total | 100.00% | 180.02 | 100.00% | (5,664.32) | 100.00% | 53.70 | 100.00% | (5,610.62) |



INOX WIND INFRASTRUCTURE SERVICES LIMITED

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

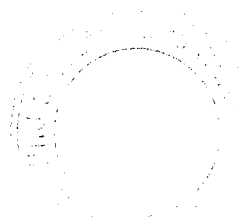
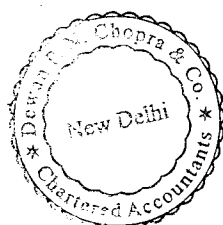
48: Interest in Other Entities:

Summarised Financial Information

| Particulars | Associates | |
|--------------------------------------|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| (A) Non-Current Assets | 59,674.47 | 18,126.53 |
| (B) Current Assets | | |
| i) Cash and cash equivalent | 621.11 | 276.17 |
| ii) Others | 3,312.20 | 0.83 |
| Total Current Asset | 3,933.31 | 276.99 |
| Total Asset (A+B) | 63,607.78 | 18,403.53 |
| (A) Non-Current Liabilities | | |
| i) Financial Liabilities | 27,730.57 | 18,397.17 |
| ii) Non Financial Liabilities | - | 8.70 |
| Total Non-Current Liabilities | 27,730.57 | 18,405.87 |
| (B) Current Liabilities | | |
| i) Financial Liabilities | 28,833.01 | 6.94 |
| ii) Non Financial Liabilities | 191.06 | 1.88 |
| Total Current Liabilities | 29,024.07 | 8.81 |
| Total Liabilities (A+B) | 56,754.64 | 18,414.69 |
| Net Assets | 6,853.14 | (11.16) |

Summarised Performance

| Particulars | Associates | |
|-----------------------------------|---------------|----------------|
| | 2018-2019 | 2017-2018 |
| Revenue | - | - |
| Profit and Loss before Tax | (18.54) | (8.46) |
| Tax Expense | (15.63) | 8.70 |
| Profit and Loss after Tax | (2.91) | (17.16) |
| Other Comprehensive Income | - | - |
| Total Comprehensive Income | (2.91) | (17.16) |
| Depreciation and Amortisation | 0.06 | - |
| Interest Income | - | - |
| Interest Expense | 2.46 | 0.08 |



48: Interest in Other Entities: (Continued)

Reconciliation of Net Assets considered for consolidated financial statement to net asset as per associate financial statement

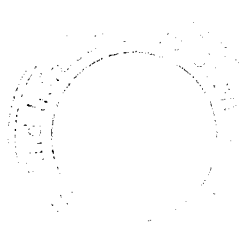
| Particulars | Associates | |
|--|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Net Assets as per Entity Financial | 6,853.14 | (11.16) |
| Add/(Less) : Consolidation Adjustment | 77.98 | 13.11 |
| Net Assets as per Consolidated Financials | 6,931.12 | 1.95 |

Reconciliation of Profit and Loss/ OCI considered for consolidated financial statement to net asset as per associate financial statement

| Particulars | Associates | |
|---|------------------------|------------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Profit/(loss) as per Entity's Financial | (2.91) | (17.16) |
| Add/(Less) : Consolidation Adjustment | (20.97) | 15.60 |
| Profit/(loss) as per Consolidated Financials | (23.88) | (1.56) |
| OCI as per Entity's Financial | - | - |
| Add/(Less) : Consolidation Adjustment | - | - |
| OCI as per Consolidated Financials | - | - |

Interest in Associates

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| (a) Wind One Renergy Private Limited | | |
| Interest as at 1st April | - | - |
| Add: Company become associate during the year | 1.00 | - |
| Add:- Share of profit for the period | (1.00) | - |
| Add:- Share of OCI for the period | - | - |
| Balance as at 31st March | - | - |
| (b) Wind Two Renergy Private Limited | | |
| Interest as at 1st April | - | - |
| Add: Shares Purchased during the year | 3,251.00 | - |
| Add:- Share of profit for the period | (2.91) | - |
| Add:- Share of OCI for the period | - | - |
| Balance as at 31st March | 3,248.09 | - |
| (c) Wind Three Renergy Private Limited | | |
| Interest as at 1st April | - | - |
| Add: Company become associate during the year | 1.00 | - |
| Add:- Share of profit for the period | (1.00) | - |
| Add:- Share of OCI for the period | - | - |
| Balance as at 31st March | - | - |
| (d) Wind Four Renergy Private Limited | | |
| Interest as at 1st April | - | - |
| Add: Shares Purchased during the year | 1,851.00 | - |
| Add:- Share of profit for the period | (2.61) | - |
| Add:- Share of OCI for the period | - | - |
| Balance as at 31st March | 1,848.39 | - |



48: Interest in Other Entities: (Continued)

| | | |
|--|-----------------|-------------|
| (e) Wind Five Renergy Private Limited | | |
| Interest as at 1st April | - | - |
| Add: Shares Purchased during the year | 1,851.00 | |
| Add:- Share of profit for the period | (16.36) | - |
| Add:- Share of OCI for the period | - | - |
| Balance as at 31st March | 1,834.64 | - |
| (f) Khatiyu Wind Energy Private Limited | | |
| Interest as at 1st April | 0.65 | - |
| Add:- Share of profit for the period | - | 0.65 |
| Add:- Share of OCI for the period | - | - |
| Less:- Amount transferred* | (0.65) | |
| Balance as at 31st March | - | 0.65 |
| (g) Nani Virani Wind Energy Private Limited | | |
| Interest as at 1st April | 0.65 | - |
| Add:- Share of profit for the period | - | 0.65 |
| Add:- Share of OCI for the period | - | - |
| Less:- Amount transferred* | (0.65) | |
| Balance as at 31st March | - | 0.65 |
| (h) Ravapar Wind Energy Private Limited | | |
| Interest as at 1st April | 0.65 | - |
| Add:- Share of profit for the period | - | 0.65 |
| Add:- Share of OCI for the period | - | - |
| Less:- Amount transferred* | (0.65) | |
| Balance as at 31st March | - | 0.65 |

* The above companies have ceased to be associates during the year and have become subsidiary of the Group. (See note 45)



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

49. Revenue from contracts with customers as per Ind As 115

(A) Disaggregated revenue information

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

Reportable segment/Manufacture of Wind Turbine

| (Rs. in Lakhs) | |
|------------------------------|------------------|
| Particulars | 2018-2019 |
| Major Product/ Service Lines | |
| Sale of goods | - |
| Sale of services | 20,763.34 |
| Others | 54.98 |
| Total | 20,818.32 |

(B) Contract balances

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

50: Corporate Social Responsibilities (CSR)

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

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

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

(Figures in brackets pertain to 31 March 2018)

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

52: Events after the Reporting period

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

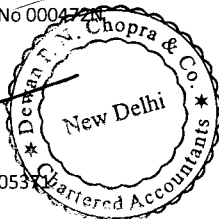
As per our report of even date attached

For Dewan PN Chopra & Co.

Chartered Accountants

Firm's Registration No 0004728

(Signature)
Arshdeep Dahiya
 Partner
 Membership No. 50537



For and on behalf of the Board of Directors

(Signature)
Manoj Dixit
 Director
 DIN : 06709232

(Signature)
Narayan Lodha
 Chief Financial Officer

(Signature)
Vinod Dahiya
 Director
 DIN : 06709239

(Signature)
Abhishek Dahiya
 Company Secretary

Place : Noida
 Date : 18 May 2019

Place : Noida
 Date : 18 May 2019