

**INOX WIND LIMITED
STADALONE FINANCIAL
STATEMENTS**

2013-2014

Independent Auditor's report to the Members of Inox Wind Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Inox Wind Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Auditors' Report to the Members of Inox Wind Limited (Continued)

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the accounting standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of written representation received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Patankar & Associates
Chartered Accountants
Firm's Registration No: 107628W

Place: Pune
Date:

S S Agrawal
Partner
Membership No: 049051

Annexure to Independent Auditor's Report to the members of Inox Wind Limited on the accounts for the year ended 31st March 2014 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In terms of the Companies (Auditor's Report) Order, 2003, on the basis of information and explanations given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.

Fixed assets destroyed during the year on account of fire were not substantial and therefore do not affect the going concern assumption.

2. The inventories were physically verified by the management at reasonable intervals during the year.

In our opinion, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

In our opinion, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of inventories as compared to book records.

3. The Company has not granted or taken any loan, secured or unsecured, to/from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion, there are generally adequate internal control systems commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control systems in respect of these areas.
5. In our opinion, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public within the meaning of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under and hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
9. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service-tax, Customs Duty, and other material statutory dues applicable to it. No payments were due in respect of Investor Education & Protection Fund, Wealth-tax, Excise Duty and Cess.

No undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales-tax, Service tax, Customs duty, Excise duty and Cess were in arrears, as at the end of the year, for a period of more than six months from the date they became payable.

There are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty or Cess which have not been deposited on account of disputes.

10. The Company has been registered for a period of less than five years and hence the provisions of clause 4(x) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
11. The Company has not defaulted in repayment of dues to banks.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. The Company has not availed of any term loans during the year and hence the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
17. In our opinion, on an overall examination of the Balance Sheet and the cash flow statement, funds raised on short term basis have, prima-facie, not been used during the year for long term investments.

18. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. There are no debentures issued and outstanding during the year and hence the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year.
21. No fraud on or by the company was noticed or reported during the course of our audit.

For Patankar & Associates
Chartered Accountants
Firm Registration No.: 107628W

Place: Pune
Dated:

(S S Agrawal)
Partner
Mem. No. 049051

INOX WIND LIMITED
BALANCE SHEET AS AT 31ST MARCH 2014

		(Amounts in Rs.)	
	Note No.	As at 31-Mar-2014	As at 31-Mar-2013
EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	4	2,00,00,00,000	40,00,00,000
(b) Reserves and surplus	5	2,37,70,58,531	2,52,78,51,312
		4,37,70,58,531	2,92,78,51,312
(2) Non-current liabilities			
(a) Long-term borrowings	6	55,00,00,000	1,31,25,00,000
(b) Deferred tax liabilities (net)	7	21,17,41,000	19,54,68,077
(c) Other long term liabilities	8	2,40,00,000	2,40,00,000
(d) Long-term provisions	9	1,12,54,652	70,28,893
		79,69,95,652	1,53,89,96,970
(3) Current liabilities			
(a) Short-term borrowings	10	4,25,40,10,524	2,05,48,62,796
(b) Trade payables	11	3,18,77,33,240	1,93,32,27,398
(c) Other current liabilities	12	1,08,28,98,369	58,80,51,120
(d) Short-term provisions	13	3,54,70,510	2,61,84,179
		8,56,01,12,643	4,60,23,25,493
TOTAL		13,73,41,66,826	9,06,91,73,775
ASSETS			
(1) Non-current assets			
(a) Fixed asset	14		
(i) Tangible asset		1,49,06,19,793	1,35,55,84,855
(ii) Intangible asset		15,83,67,495	16,93,46,690
(iii) Capital work-in-progress		7,71,41,435	3,26,79,017
		1,72,61,28,723	1,55,76,10,562
(b) Non current investment	15	5,00,000	5,00,000
(c) Long-term loans and advances	16	87,61,54,427	57,91,04,522
(d) Other non-current assets	17	7,77,46,952	-
		2,68,05,30,102	2,13,72,15,084
(2) Current assets			
(a) Current investment	18	45,00,00,000	-
(b) Inventories	19	1,23,01,26,275	71,34,96,276
(c) Trade receivables	20	5,62,31,73,514	4,48,55,16,176
(d) Cash and bank balances	21	3,13,64,253	85,82,301
(e) Short-term loans and advances	22	3,24,75,89,027	1,61,31,33,744
(f) Other current assets	23	47,13,83,655	11,12,30,194
		11,05,36,36,724	6,93,19,58,691
TOTAL		13,73,41,66,826	9,06,91,73,775

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Patankar & Associates
Chartered Accountant

For Inox Wind Limited

S S Agrawal
Partner

Director

Director

Chief Financial Officer

Company Secretary

Place:
Date:

Place:
Date:

INOX WIND LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

		(Amounts in Rs.)	
	Note No.	Year ended 31-Mar-2014	Year ended 31-Mar-2013
INCOME			
Revenue from operations	24	13,96,85,38,808	9,99,44,76,025
Other income	25	19,59,00,878	5,74,32,624
Total Income		14,16,44,39,686	10,05,19,08,649
EXPENSES			
Cost of materials consumed	26	10,52,75,09,753	6,87,64,86,002
Changes in inventories of finished goods & work-in-progress	27	(8,24,85,030)	(2,96,04,797)
Erection, procurement & commissioning cost	28	5,44,51,667	39,97,34,568
Employee benefits expense	29	29,31,56,799	20,53,66,940
Finance costs	30	46,31,79,120	38,69,86,485
Depreciation and amortization expense	31	11,31,11,359	8,89,21,471
Other expenses	32	1,33,05,59,952	62,86,41,905
Total expenses		12,69,94,83,620	8,55,65,32,574
Profit before tax		1,46,49,56,066	1,49,53,76,075
Tax expense:			
Current tax		30,85,75,000	30,01,31,604
Less: MAT credit entitlement		(30,85,75,000)	(30,01,31,604)
Deferred tax		1,62,72,923	1,94,14,769
Taxation for earlier year		(5,24,076)	-
		<u>1,57,48,847</u>	<u>1,94,14,769</u>
Profit for the year		<u>1,44,92,07,219</u>	<u>1,47,59,61,306</u>
Earnings per equity share of Rs. 10 each	51		
(1) Basic		7.25	9.72
(2) Diluted		7.25	7.41

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Patankar & Associates

Chartered Accountant

For Inox Wind Limited

S S Agrawal
Partner

Director

Director

Chief Financial Officer

Company Secretary

Place:

Place:

Date:

Date:

INOX WIND LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	<u>Year ended</u> <u>31-Mar-2014</u>	<u>(Amounts in Rs.)</u> <u>Year ended</u> <u>31-Mar-2013</u>
A Cash flow from operating activities		
Net Profit before tax	1,46,49,56,066	1,49,53,76,075
Adjustments for :		
Depreciation / Amortization	11,31,11,359	8,89,21,471
Interest income	(17,93,96,403)	(5,59,95,941)
Dividend income	-	(14,36,683)
Profit on sale of current investments	(1,54,46,365)	-
Provision for doubtful advances	20,04,972	-
Finance costs	46,31,79,120	38,69,86,485
Unrealised Foreign Exchange (gain)/loss	7,77,82,089	(2,59,88,503)
Operating profit before working capital changes	1,92,61,90,838	1,88,78,62,904
Adjustments for :		
Long term provisions	42,25,759	35,89,714
Trade payables	1,19,93,15,733	85,93,47,885
Other current liabilities	15,97,20,148	10,00,16,744
Short term provisions	22,19,258	10,35,080
Long term loans and advances	(1,60,000)	-
Other non current assets	(7,24,03,905)	-
Inventories	(51,66,29,999)	28,34,73,511
Trade receivables	(1,13,76,57,338)	(3,74,71,26,649)
Short term loans and advances	(20,58,16,615)	4,13,42,630
Other current assets	(23,10,51,293)	(6,95,04,812)
Cash generated from/(used in) operations	1,12,79,52,586	(63,99,62,993)
Income-tax paid	(30,52,19,354)	(26,81,04,074)
Net cash generated from/(used in) operating activities	82,27,33,232	(90,80,67,067)
B Cash flow from investing activities		
Purchase of fixed assets (including changes in capital advances and capital work-in-progress)	(34,67,11,220)	(28,62,96,244)
Inter corporate deposits given (net)	(1,43,06,43,640)	(1,39,41,09,090)
Interest received	8,49,45,609	1,54,97,180
Dividend received	-	14,36,683
Investment in subsidiary company	-	(5,00,000)
Purchase of current investments	(3,90,00,00,000)	(1,25,00,00,000)
Redemption of current investments	3,46,54,46,365	1,25,00,00,000
Movement in Non-current bank balance	(50,55,000)	-
Net cash (used in) investment activities	(2,13,20,17,886)	(1,66,39,71,471)
C Cash flow from financing activities		
(Repayment)/Proceeds from Long Term Loans (net)	(38,75,00,000)	1,70,00,00,000
Proceeds from Short Term Loans (net)	2,17,65,55,748	86,24,38,115
Finance costs	(45,69,89,142)	(37,45,24,615)
Net cash generated from financing activities	1,33,20,66,606	2,18,79,13,500

INOX WIND LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	<u>Year ended</u> <u>31-Mar-2014</u>	<u>(Amounts in Rs.)</u> <u>Year ended</u> <u>31-Mar-2013</u>
D Capital receipt	-	30,00,000
(Please refer to Note No. 33 of Notes to Accounts)		
Net increase/(decrease) in cash and cash equivalent	2,27,81,952	(38,11,25,038)
Cash and cash equivalents at the beginning of the year	85,82,301	38,97,07,339
Cash and cash equivalents at the end of the year	<u>3,13,64,253</u>	<u>85,82,301</u>

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
For Patankar & Associates
Chartered Accountant

For Inox Wind Limited

S S Agrawal
Partner

Director

Director

Chief Financial Officer

Company Secretary

Place:
Date:

Place:
Date:

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1. Corporate Information

Inox Wind Limited (the "Company") is engaged in the business of manufacture of Wind Turbine Generators ("WTGs") and also provides Erection, Procurement & Commissioning ("EPC") services for WTGs. The Company is a subsidiary of Gujarat Fluorochemicals Limited. The area of operations of the Company is within India.

2. Basis of Preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention and on accrual basis. These financial statements comply in all material respects with the applicable Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

The figures for the previous year have been regrouped or rearranged, wherever necessary, to make them comparable with those of the current year.

3. Significant Accounting Policies

a) Revenue Recognition:

Revenue from sale of products is recognized when the significant risks and rewards of ownership of goods have passed on to the customers in terms of the respective contracts for supply. Sales are exclusive of sales-tax and net of sales return/cancellation and discounts. Income on sale of electricity generated is recognized on the basis of actual units generated and transmitted to the purchaser.

Revenue from Erection, Procurement and Commissioning contracts is recognized on completion of services, in terms of the contract, and is net of taxes.

Interest income is recognized on a time proportion basis. Dividend income is recognized when the unconditional right to receive the dividend is established.

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

3. Significant Accounting Policies - continued

b) Fixed Assets:

Fixed assets are carried at cost as reduced by accumulated depreciation/amortization, except freehold land, which is carried at cost. Cost comprises of cost of acquisition/construction, including any expenses attributable to bring the asset to its working condition for its intended use, and is net of credit for taxes, as applicable. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

c) Depreciation and Amortization:

(i) **On tangible assets** – Cost of leasehold land is amortized over the period of lease. Depreciation on other fixed assets, excluding freehold land, is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Fixed assets costing upto Rs. 5,000 each are fully depreciated in the year of acquisition.

(ii) **On intangible assets** – Cost of technical know-how is amortized equally over a period of ten years. Cost of software is amortized @ 16.21% p.a. on straight line method.

d) Impairment of assets:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets and impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

e) Investments:

Long term investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary, in the values of investments. Current Investments are carried at lower of the cost and fair value.

f) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost is determined using weighted average method and is inclusive of appropriate overheads.

3. Significant Accounting Policies - continued

g) Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which related services are rendered. Company's contribution towards provident and pension fund viz. Defined Contribution Plan, paid / payable during the year is charged to the Statement of Profit and Loss. Retirement benefits in the form of Gratuity and Leave Encashment are recognized as an expense in the Statement of Profit and Loss at the present value of the amounts payable, determined on the basis of actuarial valuation techniques, using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

h) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expenses in the statement of Profit & Loss.

i) Taxes on income:

Income tax expense comprises of current tax and deferred tax charge. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income-tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period prescribed for utilization of such credit.

j) Foreign Currency Transactions and Forward Contracts:

Transactions in foreign currency are recorded in rupees by applying the exchange rate at the date of the transaction. At the Balance Sheet date, monetary assets and liabilities in foreign currency are restated by applying the closing rate. Gains or Losses on settlement of the transactions and restatement of monetary assets and liabilities are recognised in the Statement of Profit and Loss. In respect of forward exchange contract entered, the difference between the forward rate and the exchange rate at the date of the transaction is recognised as income or expense over the life of such contract.

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

3. Significant Accounting Policies - continued

k) Government Grants:

Government Grants are accounted for when it is reasonably certain that the ultimate collection will be made. The grants in the nature of promoters' contribution are credited to Capital Reserve.

l) Provisions & Contingent Liabilities:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. 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. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

m) Use of estimates :

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities, at the end of the accounting year and reported amounts of revenue and expenses during the year. Although these estimates are based on the management's knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

(Amounts in Rs.)

Note 4 : Share capital**Authorized capital**

50,00,00,000 (previous year 5,00,00,000) Equity shares of Rs. 10/- each

	As at 31-Mar-2014	As at 31-Mar-2013
	5,00,00,00,000	50,00,00,000

Issued, subscribed and paid Up Capital

20,00,00,000 (previous year 4,00,00,000) Equity shares of Rs. 10/- each

	2,00,00,00,000	40,00,00,000
	2,00,00,00,000	40,00,00,000

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

	As at 31-Mar-2014		As at 31-Mar-2013	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	4,00,00,000	40,00,00,000	3,00,00,000	30,00,00,000
Add: Shares issued on conversion of debentures	-	-	1,00,00,000	10,00,00,000
Add: Shares allotted as bonus shares - refer note no. 4(e)	16,00,00,000	1,60,00,00,000	-	-
Shares outstanding at the end of the year	20,00,00,000	2,00,00,00,000	4,00,00,000	40,00,00,000

b) Terms/rights 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. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, in proportion of their shareholding.

c) Shares held by holding company

	As at 31-Mar-2014		As at 31-Mar-2013	
	No. of shares	Amount	No. of shares	Amount
Gujarat Fluorochemicals Limited	15,00,00,000	1,50,00,00,000	2,99,99,400	29,99,94,000

d) Number of shares held by each shareholder holding more than 5 % shares in Company:

	As at 31-Mar-2014		As at 31-Mar-2013	
	No. of shares	% of holding	No. of shares	% of holding
Gujarat Fluorochemicals Limited	15,00,00,000	75.00%	2,99,99,400	74.999%
Siddhomal Investment Pvt. Limited	1,25,00,000	6.25%	25,00,000	6.250%
Siddhapawan Trading & Finance Pvt. Ltd.	1,25,00,000	6.25%	25,00,000	6.250%
Devansh Trading & Finance Pvt. Ltd.	1,25,00,000	6.25%	25,00,000	6.250%
Inox Chemicals Pvt. Ltd.	1,25,00,000	6.25%	25,00,000	6.250%

e) During the year the Company has allotted 16,00,00,000 equity shares as fully paid up by way of bonus shares in the ratio of 4:1 by utilisation of surplus in the statement of profit & loss.

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	As at 31-Mar-2014	As at 31-Mar-2013
Note 5: Reserves and surplus		
Capital reserve		
Balance as per last balance sheet	30,00,000	-
Addition during the year (see note no. 33)	-	30,00,000
Balance as at the end of the year	30,00,000	30,00,000
Surplus in the statement of profit and loss		
As per last balance sheet	2,52,48,51,312	1,04,88,90,006
Less: Utilised for issue of bonus shares (see note 4(e))	(1,60,00,00,000)	-
Add: Profit for the year	1,44,92,07,219	1,47,59,61,306
Balance as at the end of the year	2,37,40,58,531	2,52,48,51,312
Total	2,37,70,58,531	2,52,78,51,312
Note 6: Long-term borrowings		
<u>Rupee Term Loans (secured)</u>		
From Banks	75,00,00,000	1,00,00,00,000
(Secured by first exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants & carries interest rate @ 11.85% p.a. The loan is repayable in 20 quartely installments starting from 1.2.2013)		
From Other Parties	56,25,00,000	70,00,00,000
(Secured by first pari passu charge on entire current assets of the company, both present and future & carries interest rate @ 12.25% p.a. The loan is repayable in 4 quartely installments starting from 2.3.2014)		
	1,31,25,00,000	1,70,00,00,000
Less: Current maturities disclosed under Note 12: Other current liabilities	76,25,00,000	38,75,00,000
Total	55,00,00,000	1,31,25,00,000

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>As at 31-Mar-2014</u>	<u>As at 31-Mar-2013</u>
Note 7: Deferred tax liabilities (Net)		
(a) Deferred Tax Liabilities		
On account of Timing difference for Depreciation	21,70,70,000	19,84,63,584
	<u>21,70,70,000</u>	<u>19,84,63,584</u>
(b) Deferred Tax Assets		
On account of retirement benefits	53,29,000	29,95,507
	<u>53,29,000</u>	<u>29,95,507</u>
Deferred Tax Liability (Net)	<u>21,17,41,000</u>	<u>19,54,68,077</u>
Note 8: Other Long term liabilities		
Security Deposit	2,40,00,000	2,40,00,000
Total	<u>2,40,00,000</u>	<u>2,40,00,000</u>
Note 9: Long-term provisions		
Provision for Employee Benefits		
for Gratuity	69,47,104	43,76,263
for Leave benefits	43,07,548	26,52,630
Total	<u>1,12,54,652</u>	<u>70,28,893</u>

INOX WIND LIMITED
Notes to the financial statements for the year ended 31st March 2014

	(Amounts in Rs.)	
	As at 31-Mar-2014	As at 31-Mar-2013
Note 10: Short-term borrowings		
<u>From Banks (secured)</u>		
Short Term Working Capital Demand Loans (WC DL)	67,00,00,000	-
<p>(WC DL of Rs. 40,00,00,000 (previous year Rs. Nil) is secured by hypothecation of investment of Rs. 45,00,00,000 in Fixed maturity plan (FMP) & carries interest rate @ 12% p.a.)</p> <p>(WC DL of Rs. 27,00,00,000 (previous year Rs. Nil) is secured by first pari- passu charge on the current assets of the Company and carries interest rate in the range of 11.75%- 12% p.a)</p>		
Cash credit facilities (secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range on 12% - 14% p.a.)	47,34,74,023	33,56,41,249
Foreign Currency Loans - Buyer's Credit facilities (secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.5% to 2%)	3,11,05,36,501	1,71,92,21,547
Total	4,25,40,10,524	2,05,48,62,796
Note 11: Trade payable		
Dues to Micro, Small and Medium Enterprises (See note no. 41)	-	-
Others	3,18,77,33,240	1,93,32,27,398
Total	3,18,77,33,240	1,93,32,27,398
Note 12: Other current liabilities		
Current maturities of long term debt (See note no. 6)	76,25,00,000	38,75,00,000
Interest accrued and due on borrowings	1,12,89,072	95,61,205
Interest accrued but not due on borrowings	37,62,111	45,00,000
Creditors for capital goods	1,07,94,681	5,16,57,558
Advances from customers	14,30,82,801	2,75,73,306
Statutory dues & taxes payable	15,14,69,704	10,72,59,051
Total	1,08,28,98,369	58,80,51,120
Note 13: Short-term provisions		
(a) Provision for Employee Benefits		
- for Gratuity	82,164	27,263
- for Leave benefits	43,40,770	21,76,413
(b) Others		
- Provision for Income Tax (net of payments)	3,10,47,576	2,39,80,503
Total	3,54,70,510	2,61,84,179

INOX WIND LIMITED
Notes to the financial statements for the year ended 31st March 2014
Note 14 : Fixed Assets

(Amounts in Rs.)

Particulars	Gross block				Depreciation/Amortization				Net block	
	As at 1-Apr-2013	Additions	Deductions	As at 31-Mar-2014	As at 1-Apr-2013	For the year	Deductions	As at 31-Mar-2014	As at 31-Mar-2014	As at 31-Mar-2013
A) Tangible Assets										
Freehold land	4,66,84,750	-	-	4,66,84,750	-	-	-	-	4,66,84,750	4,66,84,750
Leasehold land	3,59,68,817	-	-	3,59,68,817	13,66,600	3,78,644	-	17,45,244	3,42,23,573	3,46,02,217
Building	63,74,78,096	87,56,208	-	64,62,34,304	3,24,35,765	2,14,22,721	-	5,38,58,486	59,23,75,818	60,50,42,331
Plant & equipments	75,38,90,700	24,50,33,188	3,98,47,353	95,90,76,535	10,24,39,656	6,30,44,991	49,67,959	16,05,16,688	79,85,59,847	65,14,51,044
Furniture & fixtures	49,17,947	5,54,450	1,11,805	53,60,592	11,95,217	2,99,363	51,778	14,42,802	39,17,790	37,22,730
Vehicles	12,57,009	-	-	12,57,009	3,41,336	1,19,416	-	4,60,752	7,96,257	9,15,673
Office equipments	1,71,66,421	29,93,557	-	2,01,59,978	40,00,312	20,97,909	-	60,98,221	1,40,61,757	1,31,66,110
Total (a)	1,49,73,63,740	25,73,37,403	3,99,59,158	1,71,47,41,985	14,17,78,886	8,73,63,044	50,19,737	22,41,22,193	1,49,06,19,793	1,35,55,84,855
B) Intangible Assets										
Technical know-how	21,96,80,610	1,47,59,520	-	23,44,40,130	5,98,70,959	2,34,44,013	-	8,33,14,972	15,11,25,158	15,98,09,651
Software	1,42,15,286	9,600	-	1,42,24,886	46,78,247	23,04,302	-	69,82,549	72,42,337	95,37,039
Total (b)	23,38,95,896	1,47,69,120	-	24,86,65,016	6,45,49,206	2,57,48,315	-	9,02,97,521	15,83,67,495	16,93,46,690
Total (a+b)	1,73,12,59,636	27,21,06,523	3,99,59,158	1,96,34,07,001	20,63,28,092	11,31,11,359	50,19,737	31,44,19,714	1,64,89,87,288	1,52,49,31,545
Previous year	1,34,30,40,198	38,82,19,438	-	1,73,12,59,636	11,74,06,621	8,89,21,471	-	20,63,28,092		

Note: Deductions during the year are in respect of items of fixed assets lost by fire - see note no. 42

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014****(Amounts in Rs.)**

	As at 31-Mar-2014	As at 31-Mar-2013
Note 15: Non-current investment		
(Long term, non-trade, at cost, unquoted - unless otherwise stated)		
Investment in Equity Instruments		
In subsidiary company (trade investment)		
50,000 Equity Shares of Rs. 10 each, fully paid up, of Inox Wind Infrastructure Services Limited		
	5,00,000	5,00,000
	5,00,000	5,00,000
Investments in mutual funds		
HDFC FMP 371D July 2013(1) - Series 26 - Regular - Growth (1,00,00,000 units (previous year Nil) of Rs. 10 each)		
	10,00,00,000	-
ICICI Prudential FMP Series 68 - 368 Days Plan G Regular Plan (50,00,000 units (previous year Nil) of Rs. 10 each)		
	5,00,00,000	-
Birla Sun Life Interval Income Annual Plan VIII - Growth Regular (1,00,00,000 units (previous year Nil) of Rs. 10 each)		
	10,00,00,000	-
UTI Fixed Term Income Fund - Series XV - IX - (366 days) - Growth Plan (1,00,00,000 units (previous year Nil) of Rs. 10 each)		
	10,00,00,000	-
ICICI Prudential Interval Fund Series VI Annual Interval Plan F- Regular (1,00,00,000 units (previous year Nil) of Rs. 10 each)		
	10,00,00,000	-
	45,00,00,000	-
Less: Current portion disclosed under Note 18: current investments	45,00,00,000	-
	-	-
Total	5,00,000	5,00,000

The investments in mutual funds are pledged as security towards secured loan - refer Note No. 10

Note 16: Long-term loans and advances

(Unsecured, considered good)

Capital advances	1,02,14,643	2,09,35,241
Security deposits	1,03,22,628	1,01,62,628
MAT credit entitlement	85,56,17,156	54,80,06,653
Total	87,61,54,427	57,91,04,522

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>As at 31-Mar-2014</u>	<u>As at 31-Mar-2013</u>
Note 17: Other Non- Current assets		
Initial public offer (IPO) expenses	7,24,03,905	-
Bank deposit having original maturity period of more than 12 months (from Note no. 21)	50,55,000	-
Interest accrued on above bank deposits	2,88,047	-
Total	<u>7,77,46,952</u>	<u>-</u>
Note 18: Current Investment		
Current portion of long term investments		
Investments in mutual funds - from Note no. 15	45,00,00,000	-
Total	<u>45,00,00,000</u>	<u>-</u>
The above investments are pledged as security towards secured loan - refer Note No. 10		
Note 19: Inventories		
(For basis of valuation, please refer to Note No. 3(f))		
Raw materials	86,90,58,602	43,47,51,924
Work-in-progress	32,57,38,212	27,13,87,016
Finished goods	2,81,33,833	-
Stores and spares	71,95,628	73,57,336
Total	<u>1,23,01,26,275</u>	<u>71,34,96,276</u>
Note 20: Trade receivables		
(unsecured, considered good)		
Exceeding 6 months	15,68,50,357	66,09,582
Others	5,46,63,23,157	4,47,89,06,594
Total	<u>5,62,31,73,514</u>	<u>4,48,55,16,176</u>

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	As at 31-Mar-2014	As at 31-Mar-2013
Note 21: Cash and bank balances		
Cash and cash equivalents		
Bank balances		
in Current accounts	90,10,121	71,10,750
Cash on Hand	8,50,473	14,71,551
Other bank balances		
Fixed deposit with more than three months but less than twelve months maturity period	2,15,03,659	-
	<u>3,13,64,253</u>	<u>85,82,301</u>
Other Bank Balances		
Deposit account with original maturity for more than 12 months	50,55,000	-
Less: Amount disclosed under Note 17 - 'Other Non Current Assets'	<u>50,55,000</u>	<u>-</u>
	-	-
Total	<u>3,13,64,253</u>	<u>85,82,301</u>
Other bank balances include margin money deposits kept as security against bank guarantee as under:		
Deposit account with original maturity for more than 12 months	50,55,000	-
Note 22: Short-term loans and advances (unsecured, considered good, unless otherwise stated)		
(a) Loans and advances to related parties - see note no. 47		
- Inter Corporate Deposits	2,82,47,52,730	1,39,41,09,090
- Other dues	13,21,12,634	38,86,699
	<u>2,95,68,65,364</u>	<u>1,39,79,95,789</u>
(b) Others		
Advance to suppliers		
- considered good	27,39,46,005	18,10,50,940
- considered doubtful	20,04,972	-
	<u>27,59,50,977</u>	<u>18,10,50,940</u>
Less: Provision for doubtful advances	<u>20,04,972</u>	<u>-</u>
	27,39,46,005	18,10,50,940
Advance for expenses	35,06,160	20,90,146
Prepaid expenses	33,32,005	38,13,757
Balances in Service tax & VAT Accounts	99,39,493	2,81,83,112
	<u>29,07,23,663</u>	<u>21,51,37,955</u>
Total	<u>3,24,75,89,027</u>	<u>1,61,31,33,744</u>

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>As at</u> <u>31-Mar-2014</u>	<u>As at</u> <u>31-Mar-2013</u>
Note 23: Other Current assets		
Interest accrued		
on inter-corporate deposits	13,39,20,238	4,04,98,761
on fixed deposits with banks	7,41,270	-
others	6,40,712	-
Insurance claims lodged	32,25,77,184	7,07,31,433
Un-amortised premium on forward contract	1,35,04,251	-
Total	<u>47,13,83,655</u>	<u>11,12,30,194</u>

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
Note 24: Revenue from operations		
Sale of products	13,73,36,76,513	9,48,48,17,167
Sale of services	5,74,32,303	41,70,22,714
Other operating Income	17,74,29,992	9,26,36,144
Total	<u>13,96,85,38,808</u>	<u>9,99,44,76,025</u>
Details of sale of product		
Sale of Products		
- Wind turbines and components	13,73,36,76,513	9,48,48,17,167
Details of sale of services		
Erection, Procurement & Commissioning charges	5,74,32,303	41,70,22,714
Other operating income includes:		
Insurance claims in respect of finished & semi finished goods	14,78,02,372	7,00,43,540
Sale of power	59,61,695	-
Note 25: Other income		
Interest income		
- On bank fixed deposits	11,45,218	5,31,465
- On inter-corporate deposits	17,68,42,194	5,48,45,047
- Others	14,08,991	6,19,429
Dividend on current investments	-	14,36,683
Profit on sale of current investments	1,54,46,365	-
Liabilities no longer required, written back	10,58,110	-
Total	<u>19,59,00,878</u>	<u>5,74,32,624</u>
Note 26: Cost of materials consumed		
Raw Materials consumed	10,52,75,09,753	6,87,64,86,002
Total	<u>10,52,75,09,753</u>	<u>6,87,64,86,002</u>
Details of Material Consumed		
Gear Boxes	2,66,25,98,361	1,63,77,65,838
Electrical component system	1,84,43,46,344	96,56,47,567
Generators	58,25,17,358	32,01,75,810
Steel plates	78,79,12,632	65,78,37,658
Transformers	9,39,80,314	13,23,16,119
Others	4,55,61,54,744	3,16,27,43,009
	<u>10,52,75,09,753</u>	<u>6,87,64,86,002</u>

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
Note 27: Changes in inventories		
Opening Stock		
- Wind turbines and components		
Finished Goods	-	9,53,05,999
Semi-Finished Stock	27,13,87,016	14,64,76,220
Less : Closing Stock		
- Wind turbines and components		
Finished Goods	2,81,33,833	-
Semi-Finished Stock	32,57,38,213	27,13,87,016
(Increase) / Decrease in Stock	<u>(8,24,85,030)</u>	<u>(2,96,04,797)</u>
Note 28: Erection, Procurement & Commissioning Cost		
Construction Material Consumed	1,00,30,509	6,83,10,000
Subcontract Cost	4,44,21,158	33,14,24,568
Total	<u>5,44,51,667</u>	<u>39,97,34,568</u>
Note 29: Employee benefits expense		
Salaries and wages	27,13,72,377	18,75,84,579
Contribution to Provident and other funds	1,11,86,108	96,45,558
Gratuity	26,25,742	23,50,753
Staff Welfare Expenses	79,72,572	57,86,050
Total	<u>29,31,56,799</u>	<u>20,53,66,940</u>
Note 30: Finance costs		
Interest expenses	29,37,82,618	29,80,44,290
Interest on income tax	52,00,000	47,00,663
Other borrowing cost	4,96,16,387	6,33,54,004
Net loss on foreign currency transactions and translation	11,45,80,115	2,08,87,527
Total	<u>46,31,79,120</u>	<u>38,69,86,485</u>
Note 31: Depreciation expense		
Depreciation on Tangible assets	8,73,63,044	6,51,66,464
Amortization of Intangible assets	2,57,48,315	2,37,55,007
Total	<u>11,31,11,359</u>	<u>8,89,21,471</u>

INOX WIND LIMITED**Notes to the financial statements for the year ended 31st March 2014**

	(Amounts in Rs.)	
	<u>2013-2014</u>	<u>2012-2013</u>
Note 32 : Other expenses		
Stores and Spares Consumed	1,24,98,482	1,42,34,436
Power & Fuel	2,82,44,194	2,33,87,986
Rates & Taxes	2,22,10,916	2,22,92,019
Jobwork Charges	20,14,55,053	15,21,72,051
Testing Charges	2,67,45,151	2,19,78,662
Crane and Equipment Hire Charges	2,32,56,609	1,71,69,771
Royalty	28,17,09,494	13,89,07,160
Insurance	1,17,35,622	1,02,64,911
Repairs and Maintenance-Plant & Equipments	66,75,818	68,47,980
Repairs and Maintenance-Building	17,15,900	5,38,590
Repairs & Maintenance - Others	36,08,579	28,19,072
Rent	59,05,947	12,68,469
Travelling & Conveyance	5,16,68,026	3,30,74,954
Net loss on foreign currency transactions and translation (other than considered as finance cost)	18,41,45,216	1,37,84,628
Provision for doubtful advances	20,04,972	-
Legal & Professional Fees & Expenses	3,29,62,237	1,59,53,627
Freight Outward	33,37,72,300	10,72,87,162
Loss by fire	83,68,095	-
Director Sitting Fees	2,15,000	-
Amortisation of premium on forward contracts	1,30,28,974	-
Miscellaneous Expenses	7,86,33,367	4,66,60,427
Total	<u>1,33,05,59,952</u>	<u>62,86,41,905</u>

INOX WIND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**

33. During the previous year, the Company had received subsidy of Rs. 30,00,000 under the Central Capital Investment Subsidy Scheme, 2003. The same being in the nature of promoters' contribution was credited to Capital Reserve.

34. **Particulars of Imported and Indigenous Raw Materials Consumed**

Particulars	2013-2014		2012-2013	
	%	Amount (Rs.)	%	Amount (Rs.)
Imported	66.62	7,01,38,96,392	61.11	4,20,21,54,138
Indigenous	33.38	3,51,36,13,361	38.89	2,67,43,31,864
Total	100	10,52,75,09,753	100	6,87,64,86,002

35. **Imported and Indigenous Stores & Spares Consumed**

Particulars	2013-2014		2012-2013	
	%	Amount (Rs.)	%	Amount (Rs.)
Imported	-	-	-	-
Indigenous	100	1,24,98,482	100	1,42,34,436
Total	100	1,24,98,482	100	1,42,34,436

36. **Expenditure in Foreign Currency (including amounts capitalized)**

(Amounts in Rs.)

Particulars	2013-2014	2012-2013
Technical Know-how Fees	5,01,09,953	73,34,480
Royalty	25,10,69,042	12,37,92,140
Travelling expenses	18,77,513	17,40,433
Testing Charges	84,81,064	17,90,607
Legal & Professional Fees	16,20,846	12,57,685
Initial public issue (IPO) expenses	2,81,90,061	-
Interest on Buyer's credit facilities	2,86,18,187	3,92,09,409
Other expenses	6,43,596	-

37. **CIF value of imports**

(Amounts in Rs.)

Particulars	2013-2014	2012-2013
Raw Materials	6,39,79,03,624	3,64,82,02,528
Capital goods (including capital work in progress)	3,15,31,827	3,66,71,744
Total	6,42,94,35,451	3,68,48,74,272

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

38. Earnings in foreign Exchange – Rs. Nil (previous year – Rs. NIL)

39. **Particulars of payment to Auditors :**

(Amount in Rs.)

Particulars	2013-2014	2012-2013
Statutory Audit (including consolidated accounts)	8,50,000	14,00,000
Limited review of quarterly accounts	50,000	-
Tax audit and other audits under Income-tax Act	3,50,000	1,50,000
For other taxation matters	5,50,000	2,00,000
Certification	50,000	2,96,000
In respect of Initial Public Offer (IPO) matters	20,00,000	-
Out of Pocket Expenses	40,932	5,000
Total	38,90,932	20,51,000

Note: The above amounts are exclusive of service tax

40. Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances –Rs. 10,78,80,862 (previous year Rs. 7,99,22,040)

41. There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Development Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Further no interest is paid/payable to in terms of section 16 of the said Act.

42. During the year, a fire broke out in the Company's factory at Rohika, Gujarat. The Company has lodged a claim with the insurance company towards the loss on account of fire. The claim lodged with the insurance company includes, inter-alia, claim towards loss of materials and fixed assets, expenditure on carrying out repairs and loss of profit. The cost of materials and w.d.v. of fixed assets destroyed in fire is estimated at Rs. 20,23,01,310 by the management. Pending the settlement of claim, amount of Rs. 83,68,094, being estimated amount of reduction in the claim, is charged to the statement of profit and loss as "loss by fire" and the balance amount of Rs. 19,39,33,216 is carried as 'Insurance claims lodged' in Note no. 23: Other current assets. Final accounting effect for the same will be given on settlement of the insurance claim.

43. During the year, the Income-tax authorities have carried out survey proceedings u/s 133A of the Income-tax Act, 1961 at the Company's corporate office and factory premises. The Company has made detailed submissions on various issues raised during the course of survey proceedings and does not expect any material demand in this connection.

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

44. The Company's significant leasing arrangements are in respect of operating lease for office / residential premises. The lease agreements are for a period of 11/60 months. The aggregate lease rentals are charged as "Rent" in the Statement of Profit and Loss.
45. The Company is engaged in the business of manufacture of Wind Turbine Generators ("WTG") and also provides related erection & commissioning services, which is considered as a single business segment. The Company has installed one WTG, primarily to generate power for captive consumption. However, during the year, the power is sold by the Company and the revenue from sale of power is less than 1% of Sales & income from operations. Hence, there is only one reportable business segment as envisaged in Accounting Standard (AS-17) – Segment Reporting. Further, all the activities of the company are in India and hence there is a single geographical segment.
46. **Employee Benefits:**
- a) Defined Contribution Plans: Contribution to Provident Fund & other funds of Rs. 1,11,37,230 (Previous year- Rs. 96,45,558/-) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss.
- b) Defined Benefit Plans: The amounts recognized in respect of Gratuity and Leave Encashment – as per Actuarial valuation as on 31st March, 2014

(Amount in Rs.)

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1. Change in Benefit Obligation				
Liability at the beginning of the year	44,03,526	28,71,422	20,52,773	15,02,781
Interest Cost	3,52,282	2,04,376	1,64,932	94,668
Current Service Cost	37,34,237	44,52,002	29,21,488	34,96,559
Past Service Cost recognized	-	-	8,880	-
Benefits Paid	-	(6,33,454)	-	(6,38,853)
Actuarial (Gain)/Loss	(14,60,777)	(21,72,558)	(7,44,547)	(15,83,733)
Short term leave liability		36,20,098		19,57,621
Liability at the end of Year	70,29,268	83,41,886	44,03,526	48,29,043
2. Expenses Recognized in the Statement of Profit and Loss				
Current Service Cost	37,34,237	44,52,002	29,21,488	34,96,559
Interest Cost	3,52,282	2,04,376	1,64,932	94,668
Recognized Past Service Cost	-	-	8,880	-
Actuarial (Gain) /Loss	(14,60,777)	(21,72,558)	(7,44,547)	(15,83,733)

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Expenses Recognized in the Statement of Profit & Loss	26,25,742	24,83,820	23,50,753	20,07,494
3. Actuarial Assumptions				
Discount Rate	9.19%		8%	
Salary Escalation Rate		8%		
Retirement Age		60 years		
Withdrawal Rates		5%		
Mortality	IALM (2006-08) Ultimate Mortality Table		LIC (1994-96) Ultimate Mortality Table	
4. Other Disclosures - experience adjustment				
	2013-14	2012-13	2011-12	2010-11
Gratuity				
Present value of defined benefit obligations	70,29,268	44,03,526	20,61,653	9,76,253
Experience (Gain)/Loss on obligation	(3,29,998)	(7,44,547)	(6,40,341)	(92,164)
Leave Benefits				
Present value of defined benefit obligations	47,21,788	28,71,422	15,02,781	8,10,565
Experience (Gain)/Loss on obligation	(15,32,082)	(15,83,733)	(10,69,000)	(1,27,888)

The above defined benefit plans are unfunded. The estimate of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

47. Related Party Disclosure:

(i) Where Control Exists :

Gujarat Fluorochemicals Limited (GFL) - Holding Company
 Inox Leasing & Finance Limited - Ultimate Holding Company
 Inox Wind Infrastructure Services Limited (IWISL) - Subsidiary Company
 Marut Shakti Energy India Limited- Subsidiary of IWISL (w.e.f. 13th September 2013)

(ii) Other Related party with whom there are transaction during the year

Key Management Personnel (KMP) -

Mr. Devansh Jain – Whole-time Director w.e.f. 01/11/2012

Mr. Rajeev Gupta – Whole-time Director

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Fellow Subsidiaries

Inox Renewables Limited (IRL) – Subsidiary of GFL

Inox Renewables (Jaisalmer) Limited (IRLJL) – Subsidiary of IRL

Inox Leisure Limited (ILL)- Subsidiary of GFL

Companies in which KMP or their relatives have significant influence

Siddhomal Investments Private Limited

Devansh Trading and Finance Private Limited

(iii) Particulars of transactions -

A) Transactions during the year	2013-2014	2012-2013
a) Allotment of shares (on conversion of debentures)		
Siddhomal Investments Private Limited	-	2,50,00,000
Devansh Trading and Finance Private Limited	-	2,50,00,000
Total	-	5,00,00,000
(b) Investment in shares		
Inox Wind Infrastructure Services Limited	-	5,00,000
(c) Inter-corporate deposits taken		
Gujarat Fluorochemicals Limited	-	79,75,00,000
Inox Wind Infrastructure Services Limited	-	88,00,000
Inox Renewables (Jaisalmer) Limited	-	6,23,05,000
Total	-	86,86,05,000
(d) Inter-corporate deposits refunded		
Gujarat Fluorochemicals Limited	-	79,75,00,000
Inox Wind Infrastructure Services Limited	-	88,00,000
Inox Renewables (Jaisalmer) Limited	-	6,23,05,000
Total	-	86,86,05,000
(e) Inter-corporate deposit given		
Inox Wind Infrastructure Services Limited	2,31,92,51,640	71,63,92,000
Inox Renewables Limited	1,51,10,92,000	1,10,50,00,000
Inox Renewables (Jaisalmer) Limited	1,70,00,000	-
Total	3,84,73,43,640	1,82,13,92,000

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

47. Related Party Disclosures continued:

A) Transactions during the year continued	2013-2014	2012-2013
(f) Inter-corporate deposit received back		
Inox Wind Infrastructure Services Limited	46,76,00,000	33,28,82,910
Inox Renewables Limited	1,93,21,00,000	9,44,00,000
Inox Renewables (Jaisalmer) Limited	1,70,00,000	-
Total	2,41,67,00,000	42,72,82,910
(g) Interest paid		
Gujarat Fluorochemicals Limited	-	3,46,10,959
Inox Wind Infrastructure Services Limited	-	25,123
Inox Renewables (Jaisalmer) Limited	-	1,49,738
Siddhomal Investments Private Limited	-	16,87,671
Devansh Trading and Finance Private Limited	-	16,87,671
Total	-	3,81,61,162
(h) Interest received		
Inox Wind Infrastructure Services Limited	10,60,27,630	98,46,636
Inox Renewables Limited	6,97,53,742	4,49,98,411
Inox Renewables (Jaisalmer) Limited	10,60,822	-
Total	17,68,42,194	5,48,45,047
(i) Purchase of goods and services		
Inox Wind Infrastructure Services Limited	6,83,09,554	31,63,42,020
Inox Renewables Limited	-	14,95,00,000
Gujarat Fluorochemicals Limited	7,95,425	-
Total	6,91,04,979	46,58,42,020
(j) Reimbursement of expenses paid / payments made on behalf of the Company		
Gujarat Fluorochemicals Limited	6,57,314	31,705
Inox Wind Infrastructure Services Limited	3,18,40,283	3,34,87,202
Inox Renewables Limited	-	74,36,901
Total	3,24,97,597	4,09,55,808

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

47. Related Party Disclosures continued:

A) Transactions during the year continued	2013-2014	2012-2013
(k) Reimbursement of expenses received / payments made on behalf by the Company		
Gujarat Fluorochemicals Limited	61,210	10,89,587
Inox Wind Infrastructure Services Limited	9,19,77,572	2,59,98,609
Inox Renewables Limited	1,34,062	4,83,58,835
Inox Renewables (Jaisalmer) Limited	1,03,73,482	33,28,817
Marut Shakti Energy India Ltd	64,78,428	-
Total	10,90,24,754	7,87,75,848
(l) Sales (net of sales return/cancellation and discounts)		
Gujarat Fluorochemicals Limited	59,61,695	76,86,276
Inox Renewables Limited	2,08,37,84,681	81,33,37,196
Inox Renewables (Jaisalmer) Limited	-	3,11,68,00,000
Inox Wind Infrastructure Services Limited	35,55,555	-
Total	2,09,33,01,931	3,93,78,23,472
(m) Rent Paid		
Gujarat Fluorochemicals Limited	27,00,000	-
(n) Return of sales made in earlier years		
Inox Renewables Limited	-	72,04,45,933
(o) Managerial Remuneration		
Mr. Devansh Jain	1,20,64,000	47,87,702
Mr. Rajeev Gupta	50,98,790	43,26,641
Total	1,71,62,790	91,14,343
(p) Advertisement services		
Inox Leisure Limited	28,72,712	-
B) Outstanding balance as at the end of the year	31-03-2014	31-03-2013
(a) Amount payable		
Trade payable		
- Gujarat Fluorochemicals Limited	48,09,545	-
- Inox Renewables Limited	4,63,692	63,973
- Inox Leisure Limited	28,15,257	-
Total	80,88,494	63,973

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

47. Related Party Disclosures continued:

Managerial Remuneration payable		
- Mr. Devansh Jain	71,72,000	37,50,000
- Mr. Rajeev Gupta	4,25,142	-
Total	75,97,142	37,50,000

B) Outstanding balance as at the end of the year	31-03-2014	31-03-2013
(b) Amounts receivable		
Trade receivable		
- Gujarat Fluorochemicals Limited	76,53,426	93,78,006
- Inox Wind Infrastructure Services Limited	37,33,333	-
- Inox Renewables Limited	1,17,63,35,786	24,33,71,686
Total	1,18,77,22,545	25,27,49,692
Inter-Corporate deposit given		
- Inox Wind Infrastructure Services Limited	2,23,51,60,730	38,35,09,090
- Inox Renewables Limited	58,95,92,000	1,01,06,00,000
Total	2,82,47,52,730	1,39,41,09,090
Other dues receivable		
- Gujarat Fluorochemicals Limited	-	5,57,882
- Inox Wind Infrastructure Services Limited	12,56,34,026	-
- Inox Renewables (Jaisalmer) Limited	180	33,28,817
- Marut Shakti Energy India Limited	64,78,428	-
Total	13,21,12,634	38,86,699
Interest accrued on inter-corporate deposits given		
- Inox Wind Infrastructure Services Limited	9,54,07,498	-
- Inox Renewables Limited	3,85,12,740	4,04,98,761
Total	13,39,20,238	4,04,98,761

48. Out of the remuneration of Rs. 50,98,790 paid to the Mr. Rajeev Gupta (Whole time director), an amount of Rs. 5,98,790 is subject to approval by the shareholders in the ensuing Annual General Meeting.

INOX WIND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

49. Additional disclosure in respect of loans given, as required by the Listing Agreement in the case of the holding company:

Name of the loanee - Inox Wind Infrastructure Services Ltd.	Current year	Previous year
Amount of loan at the year end	2,23,51,60,730	38,35,09,090
Maximum balance during the year	2,31,80,60,730	69,36,92,000
Investment by the loanee in shares of the Company	Nil	Nil

50. Details of exposure in foreign currency as at the balance sheet date:

- a) Outstanding derivatives and hedged foreign currency exposures:

(Amounts in Rs.)

Particulars	Currency	Buy/sell	Purpose	2013-2014	2012-2013
Forward contract	US \$	Buy	Hedging of loan taken	1,45,04,911	--
Forward contract	Euro	Buy	Hedging of loan taken	43,09,247	--
Forward contract	US \$	Buy	Hedging of trade payables	3,62,761	--
Forward contract	Euro	Buy	Hedging of trade payables	26,69,289	--

- b) Details of unhedged foreign currency exposures:

Particulars	Currency	31/03/2014	31/03/2013
Buyers Credit	US \$	3,35,10,508	1,60,36,493
	Euro	1,25,44,948	1,22,44,196
Trade payables	US \$	1,27,83,246	85,01,221
	Euro	63,89,400	51,68,725
	GBP	58,830	2,01,781

INOX WIND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**51. **Calculation of Earnings Per Share (EPS):**

Particulars	2013-14 (Rs.)	2012-13 (Rs.)
Profit after tax as per Statement of Profit and Loss— numerator for calculating basic EPS (Rs)	1,44,92,07,217	1,47,59,61,306
Add: Interest on debentures	-	67,50,685
Adjusted Profit for diluted EPS - numerator for calculating diluted EPS (Rs)	1,44,92,07,217	1,48,27,11,992
Weighted average number of equity shares used in computing basic earnings per shares (nos.)	20,00,00,000	15,17,80,820
Weighted average number of equity shares used in computing diluted earnings per shares (nos.)	20,00,00,000	20,00,00,000
Basic Earnings per share – nominal value Rs. 10/- per share (Rs.)	7.25	9.72
Diluted Earnings per share - nominal value Rs. 10/- per share (Rs.)	7.25	7.41

Note: During the current year the Company has issued 16,00,00,000 equity shares as bonus shares in the ratio of four bonus shares for each existing equity share. The EPS for previous year has been recomputed as required by AS-20: Earnings Per Share.

As per our report of even date

For Patankar & Associates
Chartered Accountants

For Inox Wind Limited

S S Agrawal
Partner

Director

Director

Place:
Dated:

Chief Financial Officer

Company Secretary