

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

**Chartered Accountants**

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

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Inox Wind Limited

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the Standalone Financial Statements of Inox Wind Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

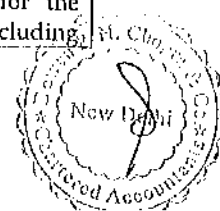
### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statement.

### **Key Audit Matters**

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

<b>The Key audit Matters</b>	<b>How our audit addressed the key audit matter</b>
<b>Allowance for credit losses</b> The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In	Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue include the following, among others:  We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including



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<p>calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.</p> <p>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p> <p>Refer Note 3.13 , Note 13 and Note 39 to the Standalone Financial Statements</p>	<p>consideration of the current and estimated future economic conditions</p> <p>(2) Completeness and accuracy of information used in the estimation of probability of default and</p> <p>(3) computation of the allowance for credit losses.</p> <p>For a sample of customers:</p> <p>We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</p> <p>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>
<p><b>Adoption of Ind AS 116 Leases</b></p> <p>As described in Note 48 to the Standalone Financial Statement, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. Refer Note 48 and Note 3.3 to the Standalone Financial Statements.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>➤ Assessed and tested new process and controls in respect of the lease accounting standard (IND AS 116)</li> <li>➤ Assessed the Company's evaluation on the identification of lease based on the contractual arrangement and our knowledge of the business.</li> <li>➤ Involved our specialists to evaluate the reasonableness of the discount rates applied in determining the lease liabilities.</li> <li>➤ Upon transition as at 01<sup>st</sup> April 2019 : <ul style="list-style-type: none"> <li>• Evaluate the method of transition and related adjustments</li> <li>• Tested Completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities.</li> </ul> </li> <li>➤ On a statistical sample, we performed the following procedures: <ul style="list-style-type: none"> <li>• Assessed the key terms and condition of each lease with the underlying lease contracts; and</li> <li>• Evaluate computing of lease liabilities and challenged the key estimates such as discount rates and lease term.</li> </ul> </li> <li>➤ Assessed and tested the presentation and disclosure relating to IND AS 116 including disclosure related to transition.</li> </ul>
<p><b>Litigation Matters</b></p> <p>The Company has certain significant pending</p>	<p>➤ Assessed the management's position through</p>



<p>legal proceedings with Judicial/Quasi-Judicial for various complex matters with contractor/transporter, customer and other parties, continuing from earlier years.</p> <p>Further, the company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Note 41 of the standalone financial statements.</p> <p>Due to complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter.</p>	<p>discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss.</p> <ul style="list-style-type: none"> <li>➤ Discussed with the management on the development in these litigations during the year ended March 31, 2020.</li> <li>➤ Rolled out of enquiry letters to the Company's legal counsel and noted the responses received.</li> <li>➤ Assessed the responses received from Company's legal counsel by engaging legal experts.</li> <li>➤ Assessed the objectivity, independence and competence of the Company's legal counsel involved in the process and legal experts engaged by us.</li> <li>➤ Reviewed the disclosures made by the Company in the Standalone Financial Statements in this regard.</li> </ul>
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#### Emphasis of Matter

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

Our report is not modified in respect of above matter.

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

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

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

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

#### Responsibility of Management for Standalone Financial Statements



The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to



the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Other Matter

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

Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



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

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

i. The Company does not have any pending litigations which would impact its financial position other than disclosed in the standalone financial statement (Refer Note No. 41 of the standalone financial statement);

ii. The Company had made provision, as required under the applicable law or accounting standard, for material foreseeable losses on long-term contracts including derivative contracts (Refer Note No. 39 of the standalone financial statement); and

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

For Dewan P. N. Chopra & Co.

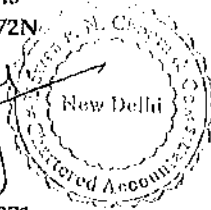
Chartered Accountants

Firm Regn. No. 000472N

Sandeep Dahiya  
Partner

Membership No. 505371

UDIN: 20505371AAAAFR8372



Place: New Delhi

Date: 27 June 2020

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

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

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



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

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

(b) On the basis of our examination of the books of accounts and records, the details of dues of income tax or goods and services tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute are as under:

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



workers act

Plant

*\*Figures after adjustment of amount paid under protest*

- (viii) On the basis of our examination of the books of accounts and records and in our opinion, there is no default in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) In our opinion and information and explanation provided to us by the management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Company raised term loans during the year have been applied for the purpose for which they were obtained.
- (x) In our opinion, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the records of the Company and in our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) Based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) Based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Sandeep Dalkiya  
Partner

Membership No. 505371

UDIN: 20505371AAAAFR8372

Place: New Delhi

Date: 27 June 2020

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

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

We have audited the internal financial controls over financial reporting of Inox Wind Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**



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

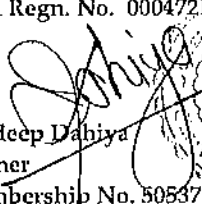
#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

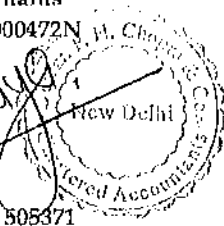
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

  
Sandeep Dahiya  
Partner  
Membership No. 505371  
UDIN: 20505371AAAAFR8372



Place: New Delhi  
Date: 27 June 2020

## INOX WIND LIMITED

CIN: L31901HP2009PLC031083

Standalone Balance Sheet as at 31 March 2020

(₹ in Lakhs)			
Particulars	Notes	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	43,202.37	43,579.94
(b) Capital work-in-progress		698.18	726.65
(c) Intangible assets	6	2,399.29	3,019.90
(d) Financial assets			
(i) Investments			
(a) Investments in subsidiary	7	38,437.56	37,362.54
(ii) Loans	9	148.41	149.85
(iii) Other non-current financial assets	10	1.66	136.03
(e) Deferred tax assets (net)	22	20,319.43	8,184.06
(f) Other non-current assets	11	7,613.27	13,334.10
<b>Total Non - current assets</b>		<b>1,12,820.17</b>	<b>1,06,493.07</b>
<b>Current assets</b>			
(a) Inventories	12	63,461.66	52,833.78
(b) Financial assets			
(i) Other Investments	8	12,028.32	11,881.12
(ii) Trade receivables	13	1,36,465.63	1,57,701.14
(iii) Cash and cash equivalents	14	398.21	461.66
(iv) Bank balances other than (iii) above	15	13,922.81	12,060.74
(v) Loans	9	38,238.30	23,586.15
(vi) Other current financial assets	10	4,594.78	3,394.75
(c) Income tax assets (net)	16	931.60	330.11
(d) Other current assets	11	30,413.61	8,346.97
<b>Total current assets</b>		<b>3,00,454.92</b>	<b>2,70,596.42</b>
<b>Total Assets</b>		<b>4,13,275.09</b>	<b>3,77,089.49</b>



## INOX WIND LIMITED

CIN: L31901HP2009PLC031083

Standalone Balance Sheet as at 31 March 2020

(₹ in Lakhs)			
Particulars	Notes	As at 31 March 2020	As at 31 March 2019
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	22,191.82	22,191.82
(b) Other equity	18	156,248.72	178,890.01
<b>Total equity</b>		<b>178,440.54</b>	<b>201,081.83</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	47.19	7,888.73
(ii) Other non-current financial liabilities	20	182.67	182.67
(b) Provisions	21	637.65	579.90
(c) Other non-current liabilities	23	1,193.96	1,743.89
<b>Total Non - current liabilities</b>		<b>2,061.47</b>	<b>10,395.19</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	51,014.86	58,857.28
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		118.48	163.10
b) total outstanding dues of creditors other than micro enterprises and small enterprises		65,074.86	63,830.90
(iii) Other current financial liabilities	20	17,563.37	12,192.89
(b) Other current liabilities	23	98,757.21	30,325.58
(c) Provisions	21	244.30	242.72
<b>Total current liabilities</b>		<b>232,773.08</b>	<b>165,612.47</b>
<b>Total Equity and Liabilities</b>		<b>413,275.09</b>	<b>377,089.49</b>

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

As per our report of even date attached

For Dewan P. N. Chopra &amp; Co.

Chartered Accountants

Firm's Registration No 000472N

Sandeep Dahiya  
Partner

Membership No 505371

UDIN: 20505371AAAAFR8372

For and on behalf of the Board of Directors

Devansh Jain  
Whole-time Director  
DIN: 01819331Kailash Lal Tarachandani  
Chief Executive OfficerDeepak Banga  
Company SecretaryVineet Valentine Davis  
Whole-time Director

DIN: 06709239

Narayan Lodha  
Chief Financial OfficerPlace : New Delhi  
Date : 27 June 2020Place : Noida  
Date : 27 June 2020

INOX WIND LIMITED

CIN: L31901HP2009PLC031083

Standalone Statement of Profit and Loss for the year ended 31 March 2020

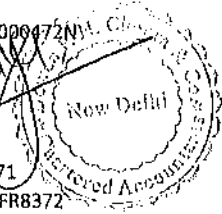
Particulars	Notes	₹ in Lakhs)	
		2019-2020	2018-2019
<b>Revenue</b>			
Revenue from operations	26	52,767.57	134,548.47
Other Income	27	6,280.43	4,561.54
<b>Total Revenue (I)</b>		<b>59,048.00</b>	<b>139,110.01</b>
<b>Expenses</b>			
Cost of materials consumed	28	18,036.59	88,175.86
Purchase of Stock-In-Trade		24,469.68	3,759.57
EPC, O&M and Common Infrastructure facility expense	29	3,879.42	4,655.93
Changes in Inventories of finished goods and work-in-progress	30	(1,828.64)	1,812.18
Employee benefits expense	31	6,513.83	6,313.94
Finance cost	32	15,226.18	11,233.27
Depreciation and amortisation expense	33	4,066.98	3,813.59
Other expense	34	23,572.63	19,152.17
<b>Total expenses (II)</b>		<b>93,936.67</b>	<b>138,916.51</b>
<b>Profit/(Loss) before tax (I-II=III)</b>		<b>(34,888.67)</b>	<b>193.50</b>
<b>Tax expense</b>	40		
Current tax		-	41.71
MAT credit entitlement		-	(41.71)
Deferred tax		(12,177.49)	67.82
<b>Total tax expense (IV)</b>		<b>(12,177.49)</b>	<b>67.82</b>
<b>Profit/(Loss) for the year (III-IV=V)</b>		<b>(22,711.18)</b>	<b>125.68</b>
<b>Other Comprehensive income</b>			
<u>A Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		38.53	93.73
Tax on above		(13.47)	(32.75)
<u>B Items that will be reclassified to profit or loss</u>			
Gains and (loss) on effective portion of hedging Instruments in cash flow hedge		81.96	(83.49)
Tax on above		(28.64)	29.17
<b>Total Other Comprehensive income (VI)</b>		<b>78.38</b>	<b>6.66</b>
<b>Total Comprehensive Income for the year (V + VI)</b>		<b>(22,632.80)</b>	<b>132.34</b>
Basic and diluted earnings/(loss) per equity share of Rs. 10 each (In Rs.)	35	(10.23)	0.06

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

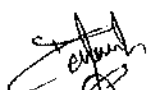
As per our report of even date attached

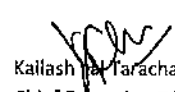
For Dewan P. N. Chopra &amp; Co.

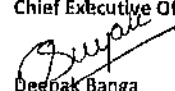
Chartered Accountants


Firm's Registration No 000472NML, Chartered Accountants  
  
 Sandeep Dahiya  
 Partner  
 Membership No 505371  
 UDIN: 20505371AAAAFR8372

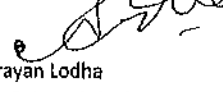
For and on behalf of the Board of Directors

  
 Devansh Jain  
 Whole-time Director  
 DIN: 01819331

  
 Kailash Lal Tarachandani  
 Chief Executive Officer

  
 Deepak Banga  
 Company Secretary

  
 Vineet Valentine Davis  
 Whole-time Director  
 DIN: 06709239

  
 Narayan Lodha  
 Chief Financial Officer

Place : New Delhi  
 Date : 27 June 2020

Place : Noida  
 Date : 27 June 2020

INOX WIND LIMITED

CIN: L31901HP2009PLC031083

Standalone Statement of cash flows for the year ended 31 March 2020

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



INOX WIND LIMITED

CIN: L31901HP2009PLC031083

Standalone Statement of cash flows for the year ended 31 March 2020

Particulars	₹ in Lakhs	
	2019-2020	2018-2019
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(5,502.02)	(8,285.18)
Proceeds from/(repayment of) current borrowing (net)	(8,105.72)	11,138.63
Finance cost	(10,831.87)	(10,818.35)
Net cash generated from/(used in) financing activities	(24,439.61)	(7,964.90)
Net increase/(decrease) in cash and cash equivalents	(63.45)	(2,373.87)
Cash and cash equivalents at the beginning of the year	461.66	2,835.53
Cash and cash equivalents at the end of the year	398.21	461.66

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

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

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

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

Notes:

1. The above standalone statement of cash flows has been prepared and presented under the indirect method.
2. Components of cash and cash equivalents are as per Note 14
3. The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants

Firm's Registration No. 000472N

Sandeep Dahiya  
Partner  
Membership No 505371  
UDIN: 20505371AAAAFR8372

For and on behalf of the Board of Directors

Devansh Dahiya  
Whole-time Director  
DIN: 01819331

Kailash H. Tarachandani  
Chief Executive Officer  
Deepak Banga  
Company Secretary

Vineet Valentine Davis  
Whole-time Director  
DIN: 06709239  
Narayan Lodha  
Chief Financial Officer

Place : New Delhi  
Date : 27 June 2020

Place : Noida  
Date : 27 June 2020

## INOX WIND LIMITED

## Statement of changes in equity for the year ended 31 March 2020

## A. Equity share capital

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

## B. Other equity

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Securities premium reserve	Retained earnings	Cash flow hedge reserve	
Balance as at 1 April 2018	64,586.03	114,170.64	1.00	178,757.67
Additions during the year:				
Profit/(Loss) for the year	-	125.68	-	125.68
Other comprehensive income for the year, net of income tax (*)	-	60.98	(54.32)	6.66
Total comprehensive income for the year	-	186.66	(54.32)	132.34
Balance as at 31 March 2019	64,586.03	114,357.30	(53.32)	178,890.01
Additions during the year:				
Profit/(Loss) for the year	-	(22,711.18)	-	(22,711.18)
Impact on account of adoption of Ind As 116 (see Note 48)	-	(8.49)	-	(8.49)
Other comprehensive income for the year, net of income tax (*)	-	25.06	53.32	78.38
Total comprehensive income for the year	-	(22,694.61)	53.32	(22,641.29)
Balance as at 31 March 2020	64,586.03	91,662.69	-	156,248.72

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

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

As per our report of even date attached

For Dewan P. N. Chopra & Co.

Chartered Accountants

Firm's Registration No 000472N

Sandeep Dahiya

Partner

Membership No 505371

UDIN: 20505371AAAAFR8372

For and on behalf of the Board of Directors

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Kailash Lal Tarachandani  
Chief Executive Officer

Narayan Lodha  
Chief Financial Officer

Deepak Banga  
Company Secretary

Place : New Delhi  
Date: 27 June 2020

Place : Noida  
Date : 27 June 2020

Notes to the standalone financial statements for the year ended 31 March 2020

**1. Company information**

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

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

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

**2.1 Statement of Compliance**

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

**2.2 Basis of Measurement**

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

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

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

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

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

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



Notes to the standalone financial statements for the year ended 31 March 2020

**2.3 Basis of Preparation and Presentation**

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

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

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

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

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

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

These financial statements were authorized for issue by the Company's Board of Directors on 27 June 2020.

**2.4 Particulars of investments in subsidiaries are as under:**

Name of the Investee	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
Inox Wind Infrastructure Services Limited	India	100%
Waft Energy Private Limited	India	100%

The above investment is carried at cost – refer Note 4.

**3. Significant Accounting Policies**

**3.1 Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.1 –



**Notes to the standalone financial statements for the year ended 31 March 2020**

Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. No impact of the adoption of the standard on the financial statements of the Company.

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.
- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:  
Revenue from EPC is recognized point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognized point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.
- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.



Notes to the standalone financial statements for the year ended 31 March 2020

Use of significant judgments in revenue recognition

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

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

**3.2 Government Grants**

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants.

Government grants in the form of non-monetary asset given at a concessional rate are accounted for at their fair value. The related grant is presented as deferred income and subsequently transferred to profit or loss as other income on a systematic and rational basis. Grants that compensate the company for expenses incurred are recognised in profit or loss, either as other income or deducted in reporting the related expense, as appropriate, on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

**3.3 Leases**

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

**3.3.1 The Company as lessee**



## Notes to the standalone financial statements for the year ended 31 March 2020

The Company lease assets includes classes primarily consist of leases for land and building, The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified assets (ii) the Company has substantially all of the economic benefits from use of the assets through the period of the lease and (iii) the Company has the right to direct the use of the assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, the Company recognizes the lease payments as an operating expenses on a straight-line basis over the term of lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying assets. Right of use assets is evaluated for recoverability whenever events or changes in circumstance indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual assets basis unless the assets does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined from the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company change its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance sheet and lease payments have been classified as financial cash flows.

### 3.4 Foreign currency transactions and translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer Note 3.14 below for hedging accounting policies).



Notes to the standalone financial statements for the year ended 31 March 2020

**3.5 Borrowing costs**

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

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

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

**3.6 Employee benefits**

**3.6.1 Retirement benefit costs**

Recognition and measurement of defined contribution plans:

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

Recognition and measurement of defined benefit plans:

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

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

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

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

**3.6.2 Short-term and other long-term employee benefits**

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



**Notes to the standalone financial statements for the year ended 31 March 2020**

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

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

**3.7 Taxation**

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

**3.7.1 Current tax**

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

**3.7.2 Deferred tax**

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

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

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

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

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

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



**Notes to the standalone financial statements for the year ended 31 March 2020**

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

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

**3.8 Property, plant and equipment**

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

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

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

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

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

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

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

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

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



## Notes to the standalone financial statements for the year ended 31 March 2020

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

### 3.9 Intangible assets

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

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

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

#### Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- |                      |          |
|----------------------|----------|
| • Technical know-how | 10 years |
| • Operating software | 3 years  |
| • Other Software     | 6 years  |

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

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

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



Notes to the standalone financial statements for the year ended 31 March 2020

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

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

### 3.11 Inventories

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

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

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

### 3.12 Provisions and contingencies

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

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

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.



Notes to the standalone financial statements for the year ended 31 March 2020

**3.13 Financial instruments**

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

**A) Financial assets**

**a) Initial recognition and measurement:**

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

**b) Effective interest method:**

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

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

**c) Subsequent measurement:**

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

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

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

**i. Financial assets measured at amortized cost:**

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

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

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



Notes to the standalone financial statements for the year ended 31 March 2020

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

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

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

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

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

This category does not apply to any of the financial assets of the Company other than the derivative instrument for the cash flow hedges.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**d) Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

**e) Derecognition:**

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

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



**Notes to the standalone financial statements for the year ended 31 March 2020**

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

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**f) Impairment of financial assets:**

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

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

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

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

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

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

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

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

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

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



**Notes to the standalone financial statements for the year ended 31 March 2020**

**B] Financial liabilities and equity instruments**

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

**i. Equity instruments:-**

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

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

**ii. Financial Liabilities:-**

**a) Initial recognition and measurement :**

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

**b) Subsequent measurement:**

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

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

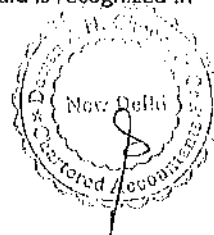
**c) Foreign exchange gains and losses:**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**d) Derecognition of financial liabilities:**

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



### 3.14 Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 39.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives, as either fair value hedges, or cash flow hedges.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge relationship so designated as fair value is accounted for in accordance with the accounting principles prescribed for hedge accounting under Ind AS 109, 'Financial Instruments'.

#### a) Fair value hedge:

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

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

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

Note 39 sets out details of the fair values of the derivative instruments used for hedging purposes.

#### b) Cash flow hedges

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

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item



**Notes to the standalone financial statements for the year ended 31 March 2020**

affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

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

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

**3.15 Earnings Per Share**

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

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

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

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

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

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

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

The Company has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.8 above. The Company reviews the estimated useful lives of PPE at the end of each reporting period.

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

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



**Notes to the standalone financial statements for the year ended 31 March 2020**

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

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

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 39.

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

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Company. Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits – see Note 22 and Note 40
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 36
- Assessment of the status of various legal cases/claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 21 and Note 41
- Impairment of financial assets – see Note 39



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 5 : Property, plant and equipment

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Carrying amounts of:</b>		
Freehold land	476.70	508.82
Leasehold land	4,370.34	-
Buildings	16,189.92	16,706.88
Plant and equipment	21,772.09	25,938.13
Furniture and fixtures	153.31	181.19
Vehicles	195.57	173.04
Office equipment	44.44	71.88
<b>Total</b>	<b>43,202.37</b>	<b>43,579.94</b>

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Carrying amounts of:</b>		
Freehold land	476.70	508.82
Buildings	16,048.43	16,706.88
Plant and equipment	21,772.09	25,938.13
Furniture and fixtures	153.31	181.19
Vehicles	195.57	173.04
Office equipment	44.44	71.88
<b>Total</b>	<b>38,690.54</b>	<b>43,579.94</b>



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

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

(₹ in Lakhs)

Description of Assets	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
<b>Cost or deemed cost:</b>								
Balance as at 1 April 2018	508.82	-	18,930.91	33,826.56	262.30	382.81	199.57	54,110.97
Additions	-	-	-	1,289.79	2.18	-	26.88	1,318.85
Disposals	-	-	-	-	-	(125.23)	-	(125.23)
Balance as at 1 April 2019	508.82	-	18,930.91	35,116.35	264.48	257.58	226.45	55,304.59
Additions	-	-	-	273.36	0.14	55.06	8.56	337.12
Additions (Impact on account of adoption of Ind As 116) (see Note 48)	-	4,532.78	185.03	-	-	-	-	4,717.81
Disposals	(32.12)	-	-	(2,557.17)	-	-	-	(2,589.29)
Balance as at 31 March 2020	476.70	4,532.78	19,115.94	32,832.54	264.62	312.64	235.01	57,770.23

<b>Accumulated Depreciation:</b>								
Balance as at 31 March 2018	-	-	1,567.34	6,736.37	55.07	93.55	99.44	8,551.77
Depreciation for the year	-	-	656.69	2,441.85	28.22	37.74	55.13	3,219.63
Eliminated on disposal of assets	-	-	-	-	-	(46.75)	-	(46.75)
Balance as at 1 April 2019	-	-	2,224.03	9,178.22	83.29	84.54	154.57	11,724.65
Depreciation for the year	-	-	658.45	2,485.38	28.02	32.53	36.00	3,240.38
Depreciation for the year (Impact on account of adoption of Ind As 116) (see Note 48)	-	162.45	43.54	-	-	-	-	205.98
Eliminated on disposal of assets	-	-	-	(603.15)	-	-	-	(603.15)
Balance as at 31 March 2020	-	162.45	2,926.02	11,060.45	111.31	117.07	190.57	14,567.87

<b>Net carrying amount</b>	Land Freehold	Land Leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
As at 31 March 2019	508.82	-	16,706.88	25,938.13	181.19	173.04	71.88	43,579.94
As at 31 March 2020	476.70	4,370.34	16,189.92	21,772.09	153.31	195.57	44.44	43,202.37



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 6 : Intangible assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Carrying amounts of:		
Technical know-how	2,362.20	3,002.31
Software	37.09	17.59
<b>Total</b>	<b>2,399.29</b>	<b>3,019.90</b>

## Details of Intangible Assets

Particulars	(₹ in Lakhs)		
	Technical know-how	Software	Total
Balance as at 31 March 2018	4,248.62	146.81	4,395.43
Additions	658.22	-	658.22
Balance as at 1 April 2019	4,906.84	146.81	5,053.65
Adjustment*	(43.54)	43.54	-
Balance as at 31 March 2020	4,863.30	190.35	5,053.65

Accumulated amortisation			
Balance as at 31 March 2018	1,335.15	104.64	1,439.79
Amortisation expense for the year	569.38	24.58	593.96
Balance as at 1 April 2019	1,904.53	129.22	2,033.75
Amortisation expense for the year	596.57	24.04	620.61
Balance as at 31 March 2020	2,501.10	153.26	2,654.36

Net carrying amount	(₹ in Lakhs)		
	Technical know-how	Software	Total
As at 31 March 2019	3,002.31	17.59	3,019.90
As at 31 March 2020	2,362.20	37.09	2,399.29

\*Note- The above figure has been reclassified from Technical know-how to Software.



**INOX WIND LIMITED**
**Notes to the standalone financial statements for the year ended 31 March 2020**

	(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>7 : Investments in Subsidiary</b>		
<b>Non-current</b>		
<b>a) Financial assets carried at cost</b>		
<b>Investments in equity Instruments (unquoted, fully paid)</b>		
Inox Wind Infrastructure Services Limited- [116,212,979 (as at 31 March 2019: 57,389,450) equity shares of ₹ 10 each fully paid up ]*	20,005.00	10,005.00
Waft Energy Pvt.Ltd.[10,000 (as at 31 March 2019: 10,000) equity shares of ₹ 10 each, fully paid up]	1.00	1.00
<b>b) Financial assets carried at FVTPL</b>		
<b>Investments in debentures (unquoted, fully paid up)</b>		
Inox Wind Infrastructure Services Limited- [3,000,000 (as at 31 March 2019: 4,000,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each]*	28,301.38	37,217.74
	<b>48,307.38</b>	<b>47,223.74</b>
Less: Current portion of non-current investment	9,869.82	9,861.20
<b>Total</b>	<b>38,437.56</b>	<b>37,362.54</b>

\* During the current year, Inox Wind Infrastructure Services Limited has converted its II<sup>nd</sup> tranche of debentures amounting to ₹ 10,000.00 Lakh into equity at a share price of ₹ 17.00/- (Previous Year: 1st tranche of debentures amounting to ₹ 10,000.00 Lakh into equity at a share price of ₹ 17.44/-)



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

	(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>8 : Other Investments</b>		
<b>Current</b>		
Financial assets carried at FVTPL		
i) Investments in debentures (unquoted, fully paid up)		
(Current portion of non-current investment)		
-In subsidiary Company - 1,000,000 (as at 31 March 2019: 1,000,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each in Inox Wind Infrastructure Services Limited	9,869.82	9,861.20
ii) Investments in mutual funds (unquoted, fully paid up)		
(face value ₹ 10 each)		
FEGP-IDBI Focused 30 Equity Fund - Regular Plan - Growth - Nil (as at 31 March 2019: 50,000)	-	4.95
L079B SBI Saving Fund -Regular plan-Growth-6,963,536.73 units (as at 31 March 2019: 6,963,536.73 )	2,158.49	2,014.97
<b>Total</b>	<b>12,028.32</b>	<b>11,881.12</b>
<b>Total</b>	<b>12,028.32</b>	<b>11,881.12</b>
<b>Total Investments ( non-current and current)</b>	<b>50,465.88</b>	<b>49,243.66</b>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	50,465.88	49,243.66
Aggregate amount of impairment in value of investments	-	-
The Company has provided an undertaking to a lender of its subsidiary, Inox Wind Infrastructure Services Limited, that it will continue to hold 100% shareholding in the subsidiary till the subsistence of the loan.		
<b>Category-wise investments – as per Ind AS 109 classification:</b>		
Carried at fair value through profit or Loss	30,460.88	39,238.66
Carried at cost	20,005.00	10,005.00
	<b>50,465.88</b>	<b>49,243.66</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

	(₹ In Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>9 : Loans (Unsecured, considered good)</b>		
<b>Non -current</b>		
Security deposits	148.41	149.85
<b>Total</b>	<b>148.41</b>	<b>149.85</b>
<b>Current</b>		
Loans to related parties (see Note 37)		
Inter-corporate deposits to related parties	38,238.30	23,586.15
<b>Total</b>	<b>38,238.30</b>	<b>23,586.15</b>
<b>10 : Other financial assets (Unsecured, considered good)</b>		
<b>Non-current</b>		
Non-current bank balances (from Note 15)	1.66	136.03
<b>Total</b>	<b>1.66</b>	<b>136.03</b>
<b>Current</b>		
Other interest accrued	76.05	5.65
Other receivables		
- From related parties	4,203.98	3,074.35
- From others	314.75	314.75
<b>Total</b>	<b>4,594.78</b>	<b>3,394.75</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>11 : Other assets</b>		
<b>Non-current</b>		
Capital advances	3,292.91	4,315.58
Security deposits with government authorities	101.77	59.44
Prepayment- Leashold land	-	4,309.77
Prepayments- others	4,218.59	4,649.31
<b>Total</b>	<b>7,613.27</b>	<b>13,334.10</b>
<b>Current</b>		
Advance to suppliers	23,322.70	4,319.23
Advance for expenses	89.12	264.80
Balances with government authorities		
-Balances in Service tax , VAT & GST Accounts	5,961.68	2,561.11
Prepayments - leasehold land	-	162.47
Prepayments- others	1,040.11	1,039.36
<b>Total</b>	<b>30,413.61</b>	<b>8,346.97</b>
<b>12 : Inventories (at lower of cost or net realisable value)</b>		
Raw materials (including goods in transit of Rs. 13,286.92 lakhs , as at 31 March 2019 ₹ 18,027.61 lakhs)	55,831.19	47,022.68
Work-in-progress	3,921.59	2,752.52
Finished goods	3,471.57	2,812.00
Stores and spares	237.31	246.58
<b>Total</b>	<b>63,461.66</b>	<b>52,833.78</b>

**Note:**

The above inventories are hypothecated against working capital facilities from banks, see Note 51 for security details.

**13 : Trade receivables (Unsecured)****Current**

Considered good	1,54,655.43	1,59,178.02
Less: Allowances for expected credit losses	18,189.80	1,476.88
<b>Total</b>	<b>1,36,465.63</b>	<b>1,57,701.14</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>14 : Cash and cash equivalents</b>		
Balances with banks		
-In current accounts	394.60	449.60
-In cash credit accounts	2.24	7.76
Cash on hand	1.37	4.30
<b>Total</b>	<b>398.21</b>	<b>461.66</b>
<b>15 : Other bank balances</b>		
Bank deposits with original maturity period of more than 3 months but less than 12 months#	12,227.51	11,622.81
Bank deposits with original maturity for less than 3 months	734.79	295.67
Bank deposits with original maturity for more than 12 months	962.17	278.29
	13,924.47	12,196.77
Less: Amount disclosed under Note 10 - 'Other financial assets-Non current'	1.66	136.03
<b>Total</b>	<b>13,922.81</b>	<b>12,060.74</b>
<b>Notes:</b>		
Other bank balances include margin money deposits kept as security against bank guarantee as under:		
a) Bank deposit with original maturity for more than 3 months but less than 12 months	12,227.51	11,622.81
b) Bank deposit with original maturity for more than 12 months	962.17	278.29
c) Bank deposit with original maturity for less than 3 months	734.79	295.67
<b>16 : Income tax assets (net)</b>		
Income tax assets (net of provision)	931.60	330.11
<b>Total</b>	<b>931.60</b>	<b>330.11</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 17 : Equity share capital

	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>Authorised capital</b>		
500,000,000 (as at 31 March 2019: 500,000,000) equity shares of ₹ 10 each	50,000.00	50,000.00
<b>Issued, subscribed and paid up</b>		
221,918,226 (as at 31 March 2019: 221,918,226) equity shares of ₹ 10 each fully paid up	22,191.82	22,191.82
	<b>22,191.82</b>	<b>22,191.82</b>

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year				
Shares outstanding at the beginning of the year	2219,18,226	22,191.82	2219,18,226	22,191.82
Shares outstanding at the end of the year	2219,18,226	22,191.82	2219,18,226	22,191.82

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

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

## (c) Shares held by holding company

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	1264,38,669	12,643.87	1264,38,669	12,643.87

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

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)	1264,38,669	56.975%	1264,38,669	56.975%
Siddho Mal Trading LLP	100,00,000	4.506%	100,00,000	4.506%
Siddhapavan Trading LLP	100,00,000	4.506%	100,00,000	4.506%
Devansh Trademart LLP	100,00,000	4.506%	100,00,000	4.506%
Inox Chemicals LLP	100,00,000	4.506%	100,00,000	4.506%



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

	(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>18 : Other equity</b>		
Securities premium	64,586.03	64,586.03
Cash flow hedge reserve	-	(53.32)
Retained earnings	91,662.69	1,14,357.30
<b>Total</b>	<b>1,56,248.72</b>	<b>1,78,890.01</b>

**18 (i) Securities premium**

Balance at the beginning of the year	64,586.03	64,586.03
<b>Balance at the end of the year</b>	<b>64,586.03</b>	<b>64,586.03</b>

Securities Premium represents premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**18 (ii) Cash flow hedge reserve**

Balance at the beginning of the year	(53.32)	1.00
Other comprehensive income for the year, net of income tax	53.32	(54.32)
<b>Balance at the end of the year</b>	<b>-</b>	<b>(53.32)</b>

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments designated as cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, included as a basis adjustment to the non-financial hedged item, or when it becomes ineffective.

**18 (iii) Retained earnings:**

Balance at the beginning of year	1,14,357.30	1,14,170.64
Impact on account of adoption of Ind As 116 (see Note 48)	(8.49)	-
Profit /(Loss) for the year	(22,711.18)	125.68
Other comprehensive income for the year, net of income tax	25.06	60.98
<b>Balance at the end of the year</b>	<b>91,662.69</b>	<b>1,14,357.30</b>

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



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

	(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>19 : Non Current Borrowings</b>		
<b>Secured loans</b>		
<b>Foreign currency term loans</b>		
From Banks	-	3,193.24
<b>Rupee term loans</b>		
From Banks	9,000.36	12,145.12
From Other parties	111.48	71.70
<b>Total</b>	<b>9,111.84</b>	<b>15,410.06</b>
 Less: Amount Disclosed under Note 20 Other financial liabilities		
a) Current maturities	8,974.95	7,366.38
b) Interest accrued	89.70	154.95
	9,064.65	7,521.33
<b>Total</b>	<b>47.19</b>	<b>7,888.73</b>
 For terms of repayment and securities etc. see Note 51		
<b>20: Other financial liabilities</b>		
<b>Non-Current</b>		
Security deposits	182.67	182.67
<b>Total</b>	<b>182.67</b>	<b>182.67</b>
<b>Current</b>		
Current maturities of non-current borrowings (see Note 19)	8,974.95	7,366.38
Interest accrued	4,155.70	375.64
Creditors for capital expenditure	1,663.29	1,657.89
Derivative financial liabilities	-	610.75
Employees dues payables	2,390.75	1,946.61
Expenses payables	378.68	235.62
<b>Total</b>	<b>17,563.37</b>	<b>12,192.89</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

		(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019	
<b>21 : Provisions</b>			
<b>Non-current</b>			
<b>Provision for employee benefits (see Note 36)</b>			
Gratuity	448.96	374.54	
Compensated absences	188.69	205.36	
<b>Total</b>	<b>637.65</b>	<b>579.90</b>	
<b>Current</b>			
<b>Provision for employee benefits (see Note 36)</b>			
Gratuity	26.39	20.31	
Compensated absences	155.29	159.79	
<b>Other provisions - see Note 41</b>			
Disputed service tax liabilities	32.19	32.19	
Disputed sales tax liabilities (net of payments)	30.43	30.43	
<b>Total</b>	<b>244.30</b>	<b>242.72</b>	
	<b>Service tax</b>	<b>Sales tax</b>	
Balance as at 1 April 2016	-	30.43	
Addition during the year	32.19	-	
Balance as at 31 March 2017	32.19	30.43	
Balance as at 31 March 2018	32.19	30.43	
Balance as at 31 March 2019	32.19	30.43	
Balance as at 31 March 2020	32.19	30.43	



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 22 : Deferred tax balances

Year ended 31 March 2020

Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(7,408.44)	356.40			(7,052.04)
Government grant-Deferred income	797.57	(125.30)			672.27
Allowance for expected credit losses	516.08	5,840.20			6,356.28
Defined benefit obligations	265.58	34.20	(13.47)		286.31
Effects of measuring investments at fair value	1,255.15	(418.30)			836.85
Unabsorbed business loss	4,444.38	6,316.90			10,761.28
Other deferred tax assets	925.46	91.80			1,017.26
Other deferred tax liabilities	(36.84)	65.50	(28.64)		0.02
Lease Liability	-	16.09			16.09
	758.94	12,177.49	(42.11)	-	12,894.31
MAT credit entitlement	7,425.12	-			7,425.12
<b>Total</b>	<b>8,184.06</b>	<b>12,177.49</b>	<b>(42.11)</b>	<b>-</b>	<b>20,319.43</b>

Year ended 31 March 2019

Deferred tax assets/(liabilities) in relation to:

(₹ 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	(7,564.54)	156.10			(7,408.44)
Government grant-Deferred income	862.10	(64.53)			797.57
Allowance for expected credit losses	308.80	207.28			516.08
Defined benefit obligations	240.76	57.57	(32.75)		265.58
Effects of measuring investments at fair value	778.80	476.35			1,255.15
Unabsorbed business loss	5,480.77	(1,036.39)			4,444.38
Other deferred tax assets	723.65	201.81			925.46
Other deferred tax liabilities	-	(66.01)	29.17		(36.84)
	830.34	(67.82)	(3.58)	-	758.94
MAT credit entitlement	7,383.41	41.71			7,425.12
<b>Total</b>	<b>8,213.75</b>	<b>(26.11)</b>	<b>(3.58)</b>	<b>-</b>	<b>8,184.06</b>

The company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward.

The Company has order book with the customers. Revenue in respect of such order book will get recognised in future years as per the accounting policy of the Company. Based on the order book, the Company has reasonable certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realize such assets in the near future. Accordingly, the Company has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

	(₹ in Lakhs)	
Particulars	As at 31 March 2020	As at 31 March 2019
<b>23 : Other liabilities</b>		
<b>Non-current</b>		
Deferred income arising from government grants	933.59	1,292.05
Deferred liability for lease ( Impact on account of adoption of Ind As 116) (see Note 48)	168.53	-
Income received in advance	91.84	451.84
<b>Total</b>	<b>1,193.96</b>	<b>1,743.89</b>
<b>Current</b>		
Advances received from customers	95,488.09	27,998.91
Statutory dues and taxes payable	2,871.66	1,969.18
Deferred income arising from government grants	357.49	357.49
Deferred liability for lease ( Impact on account of adoption of Ind As 116) (see Note 48)	39.97	-
<b>Total</b>	<b>98,757.21</b>	<b>30,325.58</b>
<b>24 : Current borrowings</b>		
<b>Secured</b>		
<b>From banks</b>		
Foreign currency loans		
<b>From Banks</b>		
Foreign currency short term loan		
- Supplier credit	4,891.58	17,176.99
Rupee loans		
- Working capital demand loans	16,959.63	5,915.33
- Cash credit	16,328.41	25,656.15
- Others	1,033.45	829.50
<b>Unsecured</b>		
<b>From related parties</b>		
Inter-corporate deposits from holding company	12,374.77	9,500.00
Unsecured Loan from other parties	-	-
	<b>51,587.84</b>	<b>59,077.97</b>
Less: Amount Disclosed under Note 20 Other financial liabilities:		
Interest accrued	572.98	220.69
<b>Total</b>	<b>51,014.86</b>	<b>58,857.28</b>

For terms of repayment and securities etc. see Note 51 (a)



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
<b>25 : Trade Payables</b>		
<b>Trade payables</b>		
- total outstanding dues of micro enterprises and small enterprises	118.48	163.10
-total outstanding dues of creditors other than micro enterprises and small enterprises	65,074.86	63,830.90
<b>Total</b>	<b>65,193.34</b>	<b>63,994.00</b>

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

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
Principal amount due to suppliers under MSMED Act at the year end	118.48	163.10
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	30.73	33.89
Payment made to suppliers (other than interest) beyond the appointed date during the year	109.35	475.80
Interest paid to suppliers under section 16 of MSMED Act during the year	Nil	Nil
Interest due and payable to suppliers under MSMED Act for payments already made.	1.59	5.85
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	187.86	155.54

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



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
<b>26 : Revenue from Operations</b>		
Sale of products	35,542.80	1,25,820.63
Sale of services	3,879.41	4,487.93
Other operating revenue	13,345.36	4,239.91
<b>Total</b>	<b>52,767.57</b>	<b>1,34,548.47</b>
<b>27 : Other Income</b>		
<b>Interest Income</b>		
<b>Interest income calculated using the effective interest method:</b>		
On fixed deposits with banks	1,022.12	911.97
On Inter-corporate deposits	3,215.11	2,007.98
<b>Other interest income</b>		
On Income tax refunds	70.40	-
Other interest	6.09	6.34
	<b>4,313.72</b>	<b>2,926.29</b>
<b>Other gains and losses</b>		
Gain on investments carried at FVTPL	2,627.19	469.91
Net gain/(losses) on foreign currency transactions and translation	(1,096.91)	335.97
Net gains/(losses) on derivatives	(281.68)	349.40
Gain on sale / disposal of property, plant and equipment	75.89	-
	<b>1,324.49</b>	<b>1,155.28</b>
<b>Other non operating income</b>		
Government grants - deferred income	358.46	363.81
Insurance claims	253.82	116.16
Other Income	29.94	-
	<b>642.22</b>	<b>479.97</b>
<b>Total</b>	<b>6,280.43</b>	<b>4,561.54</b>

Note: Realised gain/(loss) during the year in respect of mutual funds and debentures

(0.03)

4.06



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	2019-2020	(₹ in Lakhs) 2018-2019
28 : Cost of materials consumed		
Raw materials consumed	18,036.59	88,175.86
<b>Total</b>	<b>18,036.59</b>	<b>88,175.86</b>
29 : EPC, O&M and Common Infrastructure facility expenses		
Erection, Procurement, Commissioning cost	1,366.36	3,505.23
Operation & Maintenance Services	2,260.23	903.49
Common infrastructure facility services	252.83	247.21
<b>Total</b>	<b>3,879.42</b>	<b>4,655.93</b>
30 : Changes in Inventories of finished goods and work-in-progress		
Opening Stock		
- Wind turbine generators and components		
Finished goods	2,812.00	2,256.39
Work-in-progress	2,752.52	5,120.31
	<b>5,564.52</b>	<b>7,376.70</b>
Less : Closing Stock		
- Wind turbine generators and components		
Finished goods	3,471.57	2,812.00
Work-in-progress	3,921.59	2,752.52
	<b>7,393.16</b>	<b>5,564.52</b>
<b>(Increase) / decrease in stock</b>	<b>(1,828.64)</b>	<b>1,812.18</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	2019-2020	(₹ in Lakhs) 2018-2019
<b>31 : Employee benefits expense</b>		
Salaries and wages	5,983.42	5,850.56
Contribution to provident and other funds	276.52	203.65
Gratuity	167.56	151.37
Staff Welfare Expenses	86.33	108.36
<b>Total</b>	<b>6,513.83</b>	<b>6,313.94</b>
<b>32 : Finance Costs</b>		
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	5,899.45	7,084.94
<b>Other interest cost</b>		
Interest on delayed payment of taxes	614.26	322.45
Other interest	5,059.12	527.11
<b>Other borrowing costs</b>	2,839.00	2,984.50
<b>Net foreign exchange loss on borrowings (considered as finance cost)</b>	814.35	314.27
<b>Total</b>	<b>15,226.18</b>	<b>11,233.27</b>
<b>33 : Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	3,446.37	3,219.63
Amortisation of Intangible assets	620.61	593.96
<b>Total</b>	<b>4,066.98</b>	<b>3,813.59</b>



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
<b>34 : Other expense</b>		
Stores and spares consumed	33.36	50.73
Power and fuel	405.32	422.49
Rates and taxes	42.95	15.56
Sales tax, VAT, Service tax, GST etc.	-	97.19
Jobwork & labour charges	1,693.18	9,534.43
Testing charges	81.89	210.72
Crane and equipment hire charges	183.08	195.11
Royalty	127.96	1,105.27
Insurance	244.84	276.55
Repairs and maintenance - plant and equipment	27.75	13.81
Repairs and maintenance - buildings	22.53	39.50
Repairs & maintenance - others	45.75	71.51
Rent	36.52	110.59
Travelling & conveyance	720.71	934.46
Bad debts, remissions and liquidated damages	-	21.12
Legal & professional fees & expenses	692.75	526.94
Freight outward	1,010.28	3,349.03
Directors' sitting fees	4.80	7.80
Corporate Social Responsibility (CSR) expenditure (see Note 52)	-	127.25
Allowance for expected credit losses	16,712.92	593.18
Loss on sale / disposal of property, plant and equipment	-	19.80
Demurrage and detention charges	488.55	652.30
Business Promotion & Advertisement	68.21	105.99
Miscellaneous expenses	929.28	670.84
<b>Total</b>	<b>23,572.63</b>	<b>19,152.17</b>



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

**35 : Earnings per share**

Particulars	2019-2020	2018-2019
<b>Basic and Diluted earnings per share</b>		
Profit/(loss) for the year (₹ in Lakhs)	(22,711.18)	125.68
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	2219,18,226	2219,18,226
Nominal value of each share (in ₹)	10.00	10.00
Basic and Diluted earnings/(loss) per share (in ₹)	(10.23)	0.06



# INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 36 : Employee benefits:

### (a) Defined Contribution Plans

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

Contribution to provident fund of ₹ 272.17 Lakhs (previous year: ₹ 197.16 Lakhs) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.

### (b) Defined Benefit Plans:

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

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

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2020 by Mr. G. N. Agarwal, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

(₹ In Lakhs)		
Movement in the present value of the defined benefit obligation are as follows :	Gratuity	
Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	394.85	375.40
Interest cost	29.27	26.79
Current service cost	138.29	124.58
Benefits paid	(48.53)	(38.19)
Actuarial (gain) / loss on obligations	(38.53)	(93.73)
Present value of obligation as at the year end	475.35	394.85

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

(₹ In Lakhs)		
Gratuity	As at 31 March 2020	As at 31 March 2019
Current service cost	138.29	124.57
Interest cost	29.27	26.79
Amount recognised in profit or loss	167.56	151.37
Actuarial (gain)/loss	(38.53)	(93.73)
a) arising from changes in financial assumptions	46.43	(4.13)
b) arising from experience adjustments	(84.97)	(89.60)
Amount recognised in other comprehensive income	(38.53)	(93.73)
Total	129.03	57.64

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

Particulars	31-March-2020	31-March-2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14)Ultimate Mortality Table	IALM(2006-08)Ultimate Mortality Table

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



**INOX WIND LIMITED****Notes to the standalone financial statements for the year ended 31 March 2020**

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

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

- c) Investment risk-since the scheme is unfunded the Company is not exposed to investment risk.

**Sensitivity Analysis**

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

Particulars	(₹ in Lakhs)	
	Gratuity	
	2019-20	2018-2019
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(50.63)	(41.69)
If discount rate is decreased by 1%	60.80	50.01
If salary escalation rate is increased by 1%	58.01	48.08
If salary escalation rate is decreased by 1%	(49.33)	(40.87)

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.

Particulars	Discounted Expected outflow in future years (as provided in actuarial report)	
	(₹ in Lakhs)	
	2019-20	2018-2019
	Gratuity	
Expected outflow in 1st Year	26.39	20.31
Expected outflow in 2nd Year	19.54	17.02
Expected outflow in 3rd Year	21.14	20.22
Expected outflow in 4th Year	31.92	21.57
Expected outflow in 5th Year	26.53	38.25
Expected outflow in 6th to 10th Year	194.10	149.76

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years.

**C. Other short term and long term employment benefits:****Annual leave & short term leave**

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2020 based on actuarial valuation carried out by using Projected accrued benefit method results decrease in liability by ₹ 21.17 lakhs (previous year : increase in liability by ₹ 51.57 lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

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

Particulars	As at	
	31 March 2020	31 March 2019
Discount rate	6.70%	7.61%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM(2012-14)Ultimate Mortality Table	IALM(2006-08)Ultimate Mortality Table



**INOX WIND LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2020

**37 : Related Party Disclosures:**

**(i) Where control exists :**

GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) - holding company  
Inox Leasing and Finance Limited - ultimate holding company  
Inox Wind Infrastructure Services Limited (IWISL) - subsidiary company  
Waft Energy Private Limited-Subsidiary Company (Incorporated 10 April 2018)

**Subsidiaries of IWISL -**

1. Marus Shakti Energy India Limited
4. Vinirmaa Energy Generation Private Limited
7. Vasuprada Renewables Private Limited (Incorporated 27 April 2017)
10. Vigodi Wind Energy Private Limited (Incorporated 20 November 2017)
13. Tempest Wind Energy Private Limited (Incorporated 17 January 2018)
15. Turpeast Wind Energy Private Limited (Incorporated 18 January 2018)
19. Khadiyu Wind Energy Private Limited (w.e.f. 15 December 2018)\*
22. Wind One Renewey Private Limited (upto 29 November 2018)\*\*
2. Sarayu Energy Private Limited
5. Sarayu Wind Power (Kondapuram) Private Limited
8. Ripudaman Uja Private Limited (Incorporated 28 April 2017)
11. Vibhav Energy Private Limited (Incorporated 10 July 2017)
14. Alento Wind Energy Private Limited (Incorporated 17 January 2018)
17. Flutter Wind Energy Private Limited (Incorporated 18 January 2018)
20. Ravapar Wind Energy Private Limited (w.e.f. 15 December 2018)\*
23. Wind Three Renewey Private Limited (upto 29 November 2018)\*\*
3. Sarayu Wind Power (Tallimadugula) Private Limited
6. RBRK Investments Limited
9. Suswind Power Private Limited (Incorporated 27 April 2017)
12. Haroda Wind Energy Private Limited (Incorporated 16 November 2017)
15. Vuelta Wind Energy Private Limited (Incorporated 17 January 2018)
18. Sri Pavan Energy Pvt Ltd (Incorporated on 09 April 2018)
21. Nani Virani Wind Energy Private Limited (w.e.f 15 December 2018)\*
24. Resco Global Wind Services Private Limited ((Incorporated 21 Feb 2020)
3. Nani Virani Wind Energy Private Limited (upto 15 December 2018)\*
6. Wind Three Renewey Private Limited (w.e.f 29 November 2018)\*\*

**Associates of IWISL -**

1. Khadiyu Wind Energy Private Limited (upto 15 December 2018)\*
4. Wind One Renewey Private Limited (w.e.f. 29 November 2018)\*\*
7. Wind Four Renewey Private Limited
2. Ravapar Wind Energy Private Limited (upto 15 December 2018)\*
5. Wind Two Renewey Private Limited
8. Wind Five Renewey Private Limited
- Mr. Chandra Prakash Jain - Non Executive Director (upto 20 October 2019)
- Mr. Deepak Asher - Non Executive Director (upto 31 March 2019)
- Mr. Shanti Prashad Jain - Non Executive Director
- Mr. Siddharth Jain - Non Executive Director
- Mr. Vineet Valentine Davis - Whole-time director (w.e.f 19 May 2020)
- Ms. Bhidu Saxena - Non Executive Director
- Mr. V.Sankaranarayana - Non Executive Director

**Fellow Subsidiaries**

Gujarat Fluorochemicals Limited (GFL) (Earlier known as Inox Fluorochemicals Limited)  
Inox Renewables Limited (IRL) - Subsidiary of GFL Limited  
Inox Renewables (Jaisalmer) Limited (IRLJ) - Subsidiary of IRL#  
Inox Leisure Limited (ILL) - Subsidiary of GFL  
Inox Wind Energy Limited (Incorporated 6 March 2020)

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

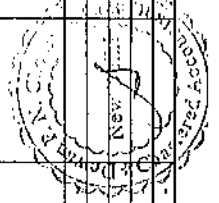
\*\* IWISL has entered into various binding agreements with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that IWISL has ceased to exercise control over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

# IRL amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 3 April 2019. The Appointed Date of the Scheme is 1 April 2018.



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

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Transactions during the year								
Sales								
Gujarat Fluorochemicals Limited			284.68				284.68	
GFL Limited		324.45						324.45
Inox Wind Infrastructure Services Limited	12,974.44	4,457.67					12,974.44	4,457.67
Inox Renewables Limited			580.95	17,422.86			580.95	17,422.86
Sri Pavan Energy Private Limited		2,522.86						2,522.86
Wind Two Renergy Private Limited					304.76	24,361.90	304.76	24,361.90
Wind Four Renergy Private Limited					11,928.57	6,190.48	11,928.57	6,190.48
Wind Five Renergy Private Limited					12,123.81	12,542.86	12,123.81	12,542.86
Total	12,974.44	7,304.98	865.63	17,422.86	24,357.14	43,095.24	38,197.21	67,823.08
Sale of Assets								
Gujarat Fluorochemicals Limited			2,062.02				2,062.02	
Purchase of goods and services								
Inox Wind Infrastructure Services Limited	3,059.62	4,505.53					3,059.62	4,505.53
Inox Renewables Limited			11,495.24				11,495.24	
Total	3,059.62	4,505.53	11,495.24				14,594.86	4,505.53
Sales Return								
Inox Renewables Limited			4,775.24				4,775.24	
Total			4,775.24				4,775.24	
Interest received								
Inox Wind Infrastructure Services Limited								
- On inter corporate deposit	3,114.74	2,007.76					3,114.74	2,007.76
- On Debentures	1,430.60	1,829.04					1,430.60	1,829.04
Wart Energy Private Limited - On inter corporate deposit	0.70	0.22					0.70	0.22
Wind Four Renergy Private Limited			99.67				99.67	
Total	4,546.05	3,837.02			99.67		4,645.71	3,837.02
Conversion of Debenture into equity Shares								
Inox Wind Infrastructure Services Limited	10,000.00						10,000.00	
Total	10,000.00						10,000.00	
Interest paid								
GFL Limited - On inter corporate deposit	884.17	426.71					884.17	426.71
Inox Leasing and Finance Limited - On inter corporate deposit	29.71						29.71	
Gujarat Fluorochemicals Limited - On Advance			3,843.27				3,843.27	
Total	913.88	426.71	3,843.27				4,757.16	426.71
Reimbursement of expenses paid / payments made on behalf of the Company								
Gujarat Fluorochemicals Limited			159.53				159.53	
GFL Limited		135.00						135.00
Inox Wind Infrastructure Services Limited	189.26	12.47					189.26	12.47
Inox Renewables Limited			0.02				0.02	
Total	189.26	147.47	159.55				348.84	147.47



**INOX WIND LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2020

**37 : Related Party Disclosures:**

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Transactions during the year								
Reimbursement of expenses received / payments made on behalf by the Company								
Inox Wind Infrastructure Services Limited	341.38	103.36					341.38	103.36
Waft Energy Private Limited	-	0.20					-	0.20
Inox Renewables Limited	-	-	38.40	5.43			38.40	5.43
Total	341.38	103.56	38.40	5.43			379.78	108.99
Inter corporate deposits given								
Inox Wind Infrastructure Services Limited	55,934.84	39,473.08					55,934.84	39,473.08
Waft Energy Private Limited	5.47	4.58					5.47	4.58
Wind Four Renewey Private Limited					7,177.73	-	7,177.73	-
Total	55,940.31	39,477.66			7,177.73	-	63,118.04	39,477.66
Inter-corporate deposit received back								
Inox Wind Infrastructure Services Limited	49,552.31	33,574.82					49,552.31	33,574.82
Total	49,552.31	33,574.82					49,552.31	33,574.82
Inter-corporate deposit taken								
GFL Limited	515.00	9,500.00					515.00	9,500.00
Inox Leasing and Finance Limited	2,500.00	-					2,500.00	-
Total	3,015.00	9,500.00					3,015.00	9,500.00
Inter-corporate deposit return back								
GFL Limited	530.00	-					530.00	-
Advance received against sale of goods/services								
GFL Limited	-	14,010.00					-	14,010.00
Gujarat Fluorochemicals Limited			70,439.60	-			70,439.60	-
Total	-	14,010.00	70,439.60	-			70,439.60	14,010.00
Rent Paid								
GFL Limited	-	72.39					-	72.39
Gujarat Fluorochemicals Limited	-	-	72.39	-			72.39	-
Total	-	72.39	72.39	-			72.39	72.39



INOX WIND LIMITED  
Notes to the standalone financial statements for the year ended 31 March 2020

37 : Related Party Disclosures:

(₹ in lakhs)

Particulars	Holding/subsidiary companies		Follow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Balance as at the end of the year								
Amounts payable								
Advance from customers								
GFL Limited	22,010.00	21,538.70					22,010.00	21,538.70
Gujarat Fluorochemicals Limited			70,439.60				70,439.60	
Wind Four Energy Private Limited						1,571.87		1,571.87
Total	22,010.00	21,538.70	70,439.60			1,571.87	92,449.60	23,110.57
Trade and other payables								
Inox Renewables Limited *			332.52				332.52	
Gujarat Fluorochemicals Limited								
GFL Limited		213.18						213.18
Vinirmaa Energy Generation Private Limited	157.00	157.00					157.00	157.00
Total	157.00	370.18	332.52				489.52	370.18
Amounts receivable								
Trade receivable								
Gujarat Fluorochemicals Limited			2,470.21				2,470.21	
Inox Wind Infrastructure Services Limited	19,850.05	7,611.38					19,850.05	7,611.38
Inox Renewables Limited				17,675.00				17,675.00
Sri Pavan Energy Private Limited	346.00	346.00					346.00	346.00
Wind Two Energy Private Limited					1,525.00	5,180.00	1,525.00	5,180.00
Wind Four Energy Private Limited					10,953.13		10,953.13	
Wind Five Energy Private Limited						3,090.00		3,090.00
Total	20,196.05	7,957.38	2,470.21	17,675.00	12,478.13	8,270.00	35,144.38	33,902.38
Other receivable/Prepayments others								
Inox Wind Infrastructure Services Limited	8,215.97						8,215.97	
Inter-Corporate deposit receivable								
Inox Wind Infrastructure Services Limited	28,156.92	21,774.39					28,156.92	21,774.39
Waft Energy Private Limited	10.05	4.58					10.05	4.58
Wind Four Energy Private Limited					7,177.73		7,177.73	
Total	28,166.97	21,778.97			7,177.73		35,344.70	21,778.97
Inter-Corporate deposit payable								
GFL Limited	9,485.00	9,500.00					9,485.00	9,500.00
Inox Leasing and Finance Limited	2,500.00						2,500.00	
Total	11,985.00	9,500.00					11,985.00	9,500.00
Debentures								
Inox Wind Infrastructure Services Limited								
Total							30,000.00	40,000.00

\*Adjusted Income received in advance Rs. 350.49 lakhs



**INOX WIND LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2020

**37 : Related Party Disclosures:**

(₹ in Lakhs)

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Balance as at the end of the year								
Interest accrued on Inter-corporate deposits receivable								
Innox Wind Infrastructure Services Limited	2,803.27	1,806.98					2,803.27	1,806.98
Waft Energy Private Limited	0.63	0.20					0.63	0.20
Wind Four Renegy Private Limited					89.70	-	89.70	
<b>Total</b>	<b>2,803.90</b>	<b>1,807.18</b>			<b>89.70</b>	<b>-</b>	<b>2,893.60</b>	<b>1,807.18</b>
Interest payable on Inter-corporate deposits taken								
GFL Limited	369.02	-					369.02	-
Innox Leasing and Finance Limited	26.74	-					26.74	-
<b>Total</b>	<b>395.77</b>	<b>-</b>					<b>395.77</b>	<b>-</b>
Interest payable on Advance								
Gujarat Fluorochemicals Limited			3,458.95				3,458.95	
Interest accrued on debentures								
Innox Wind Infrastructure Services Limited	469.46	581.92					469.46	581.92

**Notes:**

- (a) Sales, purchases and service transactions with related parties are made at arm's length price.  
(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.  
(c) No expense has been recognised for the year ended 31 March 2020 and 31 March 2019 for bad or doubtful trade receivables in respect of amounts owed by related parties.  
(d) There have been no guarantees received or provided for any related party receivables or payables.  
(e) Compensation of Key management personnel:

(₹ in Lakhs)

Particulars	2019-20	2018-19
Remuneration paid		
Mr. Devansh Jain	92.64	92.64
Mr. Rajeev Gupta	-	9.99
Mr. Kailash Lal Tarachandani	147.11	128.53
Sitting fees paid to directors	4.80	7.80
<b>Total</b>	<b>244.55</b>	<b>238.96</b>

(₹ in Lakhs)

Particulars	2019-20	2018-19
Short term benefits		
Post employment benefits*	239.75	231.16
Long term employment benefits*	-	-
Share based payments	-	-
Termination benefits	4.80	7.80
Sitting fees paid to directors		
<b>Total</b>	<b>244.55</b>	<b>238.96</b>

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

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. Contribution to provident fund (defined contribution plan) is ₹ 2.86 lakhs (previous year ₹ 9.13 lakhs) included in the amount of remuneration reported above.



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

**38 : Capital Management**

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

The Company's capital management objectives are:

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

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

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

Particulars	(₹ in lakhs)	
	As at 31 March 2020	As at 31 March 2019
Non-current borrowings	47.19	7,888.73
Current maturities of non-current borrowings	8,974.95	7,366.38
Current borrowings	51,014.86	58,857.28
Interest accrued but not due on borrowings	4,155.70	375.64
<b>Total Debt</b>	<b>64,192.70</b>	<b>74,488.03</b>
Less: Cash and bank balances (excluding bank deposits kept as lien)	398.21	461.66
<b>Net debt</b>	<b>63,794.49</b>	<b>74,026.37</b>
Total equity	1,78,440.54	2,01,081.83
<b>Net debt to equity %</b>	<b>35.75%</b>	<b>36.81%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2020 and 31 March, 2019.



## 39 : Financial Instruments

## (i) Categories of financial instruments

(₹ In Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
<b>Mandatorily measured as at FVTPL</b>		
- Investments in debentures	28,301.38	37,217.74
- Investments in mutual funds	2,158.49	2,019.91
	<b>30,459.87</b>	<b>39,237.65</b>
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	14,322.68	12,658.43
(b) Trade receivables	1,36,465.63	1,57,701.14
(c) Loans	38,386.71	23,736.00
(d) Other financial assets	4,594.78	3,394.75
	<b>1,93,769.80</b>	<b>1,97,490.32</b>
<b>Measured at fair value through other comprehensive income (FVTOCI)</b>		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	-	-
<b>Total financial assets</b>	<b>2,24,229.67</b>	<b>2,36,727.97</b>
<b>Financial liabilities</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
Derivative instruments in designated hedge accounting relationship	-	529.23
	-	<b>529.23</b>
<b>Measured at amortised cost</b>		
(a) Borrowings	64,192.70	74,488.03
(b) Trade payables	65,193.34	63,994.00
(c) Other financial liabilities	4,615.39	4,022.79
	<b>1,34,001.43</b>	<b>1,42,504.82</b>
<b>Measured at fair value through other comprehensive income (FVTOCI)</b>		
Derivative instruments designated as Cash flow hedge in Hedge Accounting	-	81.52
<b>Total financial liabilities</b>	<b>1,34,001.43</b>	<b>1,43,115.57</b>

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



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Notes to the standalone financial statements for the year ended 31 March 2020

**(ii) Financial risk management**

The Company's corporate finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors of the Company, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed by the Company on a continuous basis. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

**(iii) Market Risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into the variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk including:

1. Interest rate swaps to mitigate the risk of rising interest rates.
2. Principal only swaps, Currency Swaps, Options and forwards contracts to mitigate foreign currency risk of foreign currency borrowings and payables foreign currency.

**(iv) (a) Foreign Currency risk management**

The Company is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings etc. Exchange rate exposures are managed within approved policy parameters by entering in to foreign currency forward contracts, options and swaps.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the Company with minimised residual risk.

The carrying amount of unhedged Foreign Currency (FC) denominated monetary liabilities at the end of the reporting period are as follows:

(₹ in Lakhs)		
Particulars	As at 31 March 2020	As at 31 March 2019
<b>Liabilities</b>		
<b>In USD</b>		
Short Term Borrowings	4,232.70	-
Trade Payable	7,337.14	11,260.59
<b>USD Total</b>	<b>11,569.84</b>	<b>11,260.59</b>
<b>In EURO</b>		
Short Term Borrowings	658.88	-
Trade Payable	4,483.83	1,285.29
<b>EURO Total</b>	<b>5,142.71</b>	<b>1,285.29</b>
<b>In Other currencies</b>		
Short Term Borrowings	-	-
Trade Payable	9,401.96	8,797.08
<b>Others Total</b>	<b>9,401.96</b>	<b>8,797.08</b>
<b>Grand Total</b>	<b>26,114.50</b>	<b>21,342.96</b>

The Company does not have any foreign currency monetary assets.



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

**(iv) (b) Foreign Currency sensitivity analysis**

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

Particulars	(₹ in Lakhs)	
	USD impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	752.69	1,163.51
Impact on total equity as at the end of the reporting period	752.69	1,163.51

Particulars	(₹ in Lakhs)	
	EURO impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	334.56	842.60
Impact on total equity as at the end of the reporting period	334.56	842.60

Particulars	(₹ in Lakhs)	
	CNY Impact (net of tax)	
	As at 31 March 2020	As at 31 March 2019
Impact on profit or loss for the year	607.40	635.21
Impact on total equity as at the end of the reporting period	607.40	635.21

**(v) (a) Interest rate risk management**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

As per the Company's risk management policy to minimize the interest rate cash flow risk on foreign currency long term borrowings, interest rate swaps are taken for most of the borrowings to convert the variable interest rate risk into rupee fixed interest rate. Thus, there is no major interest rate risk associated with foreign currency long term borrowings. In respect of foreign currency short term borrowings and rupee loans the Company does not have any borrowings at variable rate of interest.

**Interest rate sensitivity analysis**

The sensitivity analysis below has 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.



**INOX WIND LIMITED**
**Notes to the standalone financial statements for the year ended 31 March 2020**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2020 would decrease/increase by INR 66.39 Lakhs net of tax (for the year ended 31 March 2019 decrease/increase by INR 95.30 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(v)(b) Interest rate swap contract**

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

**Details of Interest Rate Swap Contracts outstanding at the end of reporting period:**

Particulars	Average contracted fixed interest rate		Notional principal amount (₹ in Lakhs)		Fair value assets (liabilities) (₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Cash flows hedges						
RBL Bank	-	10.50%	-	1,622.00	-	(81.52)
Less than 1 Year		-	-	1,622.00	-	(81.52)
Balance in the cash flow hedge reserve (net of tax)					-	(53.32)

Net foreign exchange loss include gain of Nil (previous year ₹87.66 lakhs) transferred from cash flow hedge reserve for year ended 31 March 2020.

Net loss of derivative instruments of Nil (previous year ₹53.32 lakhs) lakhs recognised in hedging reserve as at 31 March 2020

The interest rate swaps settle on quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Company's cash flow exposures resulting from variable interest rates on borrowing. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that floating rate interest payments on debt affect profit or loss.

The line-items in the Standalone balance sheet that include the above hedging instruments are "Other financial assets" and "Other financial liabilities".

**(vi) Other price risks**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Company does not have investment in equity instruments, other than investments in subsidiary which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

**(vii) Credit risk management**

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

**(a) Trade receivables**

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company supplies wind turbine equipments to customers which are installed and commissioned generally by a group company and it involves various activities such as civil work, electrical & mechanical work and commissioning activities. The payment terms with customers are fixed as per industry norms. The above activities lead to certain amounts becoming due for payment on completion of related activities and commissioning. The Company considers such amounts as due only on completion of related milestones. However, the group company has also long term operation and maintenance contract with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March 2020 is ₹ 82,136.35 lakhs (as at 31 March 2019 of ₹ 78,449.75 lakh) are due from 5 major customers (5 customers as at 31 March 2019) who are reputed parties. All trade receivables are reviewed and assessed for default at each reporting period.



## INOX WIND LIMITED

## Notes to the standalone financial statements for the year ended 31 March 2020

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows and during the year the Company has changed the provision matrix considering the long term outstanding and credit risk.

Ageing	Expected credit loss (%)
	2019-2020
0-1 Year	1%
1-2 Year	5%
2-3 Year	10%
3-5 Year	15%
Above 5 Year	100%

	2018-2019
0-180 days	0.10%
181-365 days	0.50%
Above 365 days	1.50%

## Age of receivables (₹ in Lakhs)

Particulars	As at 31 March 2020
0-1 Year	53,200.14
1-2 Year	36,605.29
2-3 Year	26,397.23
3-5 Year	29,723.48
Above 5 Year	8,729.28
Gross trade receivables	1,54,655.43

Particulars	As at 31 March 2019
0-180 days	30,483.45
181-365 days	48,402.71
Above 365 days	80,291.86
Gross trade receivables	1,59,178.02

## Movement in the expected credit loss allowance :

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at beginning of the year	1,476.88	883.69
Movement in expected credit loss allowance	16,712.92	593.19
Balance at end of the year	18,189.80	1,476.88



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

**b) Loans and other receivables**

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

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

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

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

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

**c) Other financial assets**

Credit risk arising from investment in debt funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such investments.

**Liquidity Risk Management**

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

**Liquidity and Interest risk tables**

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	(₹ in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2020</b>				
Borrowings	59,989.81	47.19	-	60,037.00
Trade payables	65,193.34	-	-	65,193.34
Other financial liabilities	8,588.42	182.67	-	8,771.09
Derivative financial liabilities	-	-	-	-
	1,33,771.57	229.86	-	1,34,001.43
<b>As at 31 March 2019</b>				
Borrowings	66,223.66	7,888.73	-	74,112.39
Trade payables	63,994.00	-	-	63,994.00
Other financial liabilities	4,215.76	182.67	-	4,398.43
Derivative financial liabilities	610.75	-	-	610.75
	1,35,044.17	8,071.40	-	1,43,115.57

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



**INOX WIND LIMITED**

**Notes to the standalone financial statements for the year ended 31 March 2020**

**(viii) Forward Foreign Exchange Contracts**

The Company enters into call spread option contract and Cross Currency Swap agreement to hedge the foreign currency risk and interest rate risk.

Outstanding Contracts	Exchange Rate		Foreign currency (Amount in Lakhs)		Nominal amounts (₹ in Lakhs)		Fair value assets/(liabilities) ₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Fair value hedges								
Principal only swaps (POS) contracts	-	68.93	-	45.98	-	3,169.67	-	199.73
(Financial Liability)								
Forward contracts								
USD	-	68.93	-	96.10	-	6,624.17	-	(97.03)
EUR	-	77.40	-	150.73	-	11,666.50	-	(676.87)
GBP	-	89.05	-	1.03	-	91.72	-	(0.68)
CNY	-	10.34	-	115.52	-	1,194.45	-	(35.89)

The line-items in the standalone balance sheet that include the above hedging instruments are "other financial assets" and "other financial liabilities".



**INOX WIND LIMITED**
**Notes to the standalone financial statements for the year ended 31. March 2020**
**(ix) Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:**

Financial assets/(Financial liabilities)	Fair Value as at		Fair Value	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2020	31 March 2019				
(a) Investment in Mutual funds (see Note 8)	Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 2,158.49 Lakhs	Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 2,019.91 Lakhs	Level 2	The use of net asset value (NAV) for mutual fund on the basis of the statement received from investee party	NA	NA
(b) Forward foreign currency contracts (see Note 20)	Nil	Liability - ₹810.48	Level 2		NA	NA
(c) Principal only swaps designated in hedge accounting relationships (see Note 20)	Nil	Assets - ₹ 199.73 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(d) Interest rate swaps designated in hedge accounting relationships (see Note 20)	Nil	Liability - ₹ 81.52 Lakhs	Level 2	Discounted cash flow. Foreign currency and INR cash flow are converted and discounted based on relevant exchange rates/Interest rate (from observable data points available at the end of the reporting period). Difference between gross discounted Foreign currency and INR cash flow is stated as the final MTM as at reporting period.	NA	NA
(e) Investment in debentures (see Note 7)	Asset - ₹ 28,301.38 Lakhs	Asset - ₹ 37,217.74 Lakhs	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risks of various counter parties.	NA	NA

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

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

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



**INOX WIND LIMITED**
**Notes to the standalone financial statements for the year ended 31 March 2020**
**40 : Income tax recognised in Statement of Profit and Loss**

Particulars	2019-2020	(₹ in Lakhs)
		2018-2019
<b>Current tax</b>		
In respect of the current year	-	41.71
Minimum Alternate Tax (MAT) credit	-	(41.71)
In respect of the earlier year	-	-
<b>Deferred tax</b>		
In respect of the current year	(12,177.49)	67.82
In respect of the earlier year	-	-
	<b>(12,177.49)</b>	<b>67.82</b>
<b>Total income tax expense recognised in the current year</b>	<b>(12,177.49)</b>	<b>67.82</b>

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

Particulars	2019-2020	2018-2019
Profit before tax	(34,888.67)	193.50
Income tax expense calculated at 34.944% (2018-2019: 34.944%)	(12,191.50)	67.62
Tax incentives	-	-
Effect of expenses that are not deductible in determining taxable profits	14.01	0.20
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 34.944%	-	-
	<b>(12,177.49)</b>	<b>67.82</b>
Taxation pertaining to earlier years	-	-
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>(12,177.49)</b>	<b>67.82</b>

The tax rate used for the year ended 31 March 2020 and 31 March 2019 in reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.



**INOX WIND LIMITED**

**Notes to the standalone financial statements for the year ended 31 March 2020**

**41 : Contingent liabilities:**

(a) Claims against the Company not acknowledged as debts: claims made by contractors - ₹ 658.35 lakhs (as at 31 March 2019: ₹ 261.17 lakhs)

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

(b) In respect of claims made by four (previous year : five ) customers for non-commissioning of WTGs, the amount is not ascertainable.

(c) Claim against the Company not acknowledged as debts from customers ₹ 4,050 lakhs (as at 31 March 2019 : ₹ 4,150 lakhs)

(d) Claims made by vendors in National Company Law Tribunal (NCLT) for Rs. 396.00 Lakhs.

(e) In respect of VAT matters - ₹ 59.09 lakhs (as at 31 March 2019: ₹ 59.09 lakhs)

The Company had received orders for the financial years ended 31 March 2013 and 31 March 2014, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 lakhs for delayed payment of VAT. The Company had filed appeals before the first appellate authority. During the year ended 31 March 2015, the company had received appellate order for the year ended 31 March 2014 confirming the levy of penalty and the Company has filed further appeal against the said order. However, the Company has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 lakhs and provision for the same was made during the year ended 31 March 2015. After adjusting the amount of ₹ 23.35 lakhs paid against the demands, the balance amount of ₹ 30.43 lakhs is carried forward as "Disputed sales tax liabilities (net of payments)" in Note 21.

(f) In respect of Service tax matter- ₹ 1,401.63 lakhs (as at 31 March 2019: ₹ 1,401.63 lakhs)

The Company has received orders for the period September 2011 to March 2016, in respect of Service Tax, levying demand of ₹ 1,401.63 lakhs on account of disallowance of exemption of Research & Development cess from payment of service tax. The Company has received adverse order from CESTAT, Allahabad Bench.

The company has preferred an appeal before Hon'ble Bench of Allahabad High Court and the Hon'ble Bench of Allahabad High Court has stayed the proceedings subject to submission of the Security before the Assessing officer.

The Company has estimated the amount of demand which may be ultimately sustained at ₹ 32.19 lakhs and provision for the same is made during the year and carried forward as "Disputed service tax liabilities" in Note 21.

(g) In respect of Income tax matters - ₹ 4014.44 lakhs (31 March 2019: ₹ 4,014.44 Lakhs)

This includes demand for assessment year 2013-14 received in the current year by the holding company, mainly on account of reduction in the amount of tax incentive claimed, against which the company has obtained favourable order from CIT-Appeals on the substantial issues and filed second appeal before ITAT, Bench, Chandigarh in June 2020 against the issues on which relief has not been granted.

(h) In respect of Labour Cess under Building and Other Construction Workers Act, 1966 - ₹ 61.11 Lakhs (as at 31 March 2019: ₹ 61.11 Lakhs)

The Company has received the order for the financial year ended 31 March 2015, 31 March 2016 in respect of Labour Cess on construction work at Relwa Khurd MP plant.

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

**42 : Capital and other Commitments**

a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1,194.59 lakhs, (as at 31 March 2019: ₹ 1,057.24 lakhs).

b) Amount of customs duty exemption availed by the Company under EPCG Scheme for which export obligations are required to be fulfilled within stipulated period ₹ 2,651.54 lakhs (as at 31 March 2019 Rs. 2,651.54 lakhs). The Company has recognised deferred grant income under EPCG scheme upto the Financial year ending 31 March 2020 amounting to ₹ 1,465.80 lakhs (previous year ₹ 1,111.38 lakhs) against which export obligation is yet to be fulfilled by the Company.

c) Bank guarantees issued by the Company to its customers for ₹ 51,276.00 lakhs (as at 31 March 2019 : ₹ 78,422.22 lakhs)



**INOX WIND LIMITED****Notes to the standalone financial statements for the year ended 31 March 2020****43: Outbreak of COVID-19**

Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the company is in the business of Manufacturing of Wind Turbine Generator which fall under the Renewable Energy sector being the priority sector, the management believes that the impact of this outbreak on the business and financial position of the company will not be significant. The management does not see any risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The company has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the company expects to recover the carrying amount of trade receivables including unbilled receivables, investments, inventories and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

**44 : Balance confirmation**

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

**45: Note on Advance received from customers**

a. During the year, the Company has signed supply contracts for 125.4 MW Wind power projects of 38 Nos of 3300 KW WTG (Model WT3000DF) in the State of Gujarat with Gujarat Fluorochemicals Limited (GFCL). The company has received the interest bearing advance of Rs. 70,439.60 Lakhs against the contracts. The company is in process of fulfilment of the terms and conditions of the contracts.

b. During the year, the Company has signed supply contracts for 250 MW Wind power project of 125 Nos of 2000 KW WTG (model DF/2000/113) with continuum Power Trading (TN) Private Limited. The Company has received the advance of Rs.3,650.00 Lakhs against the contracts. The company is in process of fulfilment of the terms and conditions of the contracts.

**46 : Segment information**

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

Three customers contributed more than 10% of the total Company's revenue amounting to ₹ 37,026.82 lakhs (as at 31 March 2019: four customers amounting to ₹ 104,084.04 lakhs).

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

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

**Reportable segment/Manufacture of Wind Turbine**

Particulars	(₹ in Lakhs)	
	2019-2020	2018-2019
<b>Major Product/ Service Lines</b>		
Sale of goods	35,542.80	1,25,820.63
Sale of services	3,879.41	4,487.93
Others	13,345.36	4,239.91
<b>Total</b>	<b>52,767.57</b>	<b>1,34,548.47</b>

**(B) Contract balances**

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



**INOX WIND LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2020

**48: Leases**
**Company as a lessee**

(a) The Company's significant leasing arrangements are in respect of leasehold lands. The Company has also taken certain commercial premises on lease.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. The Company is not required restate the comparative information.

(b) On transition to Ind AS 116, the opening balances in 'Prepayment - leasehold lands' are reclassified as right-to-use assets.

The following is the summary of practical expedients elected on initial application:

- 1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- 2) Applied the exemption not to recognize right-of-use assets and liabilities for leases expiring within 12 months of lease term on the date of initial application.
- 3) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- 4) Applied the practical expedient to apply Ind AS 116 to the contracts that were previously identified as leases applying Ind AS 17: Leases and hence not reassessed whether a contract is, or contains, a lease at the date of the initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 12% p.a.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at March 31, 2019, discounted to the present value at the date of initial application of Ind AS 116, and the value of the lease liability as at April 1, 2019, is on account of exclusion of short term leases.

The effect of adoption of Ind AS 116 on the line items in the financial statements, profit before tax, profit for the period and earnings per share is not significant. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

**(c) Particulars of right-to-use assets and lease liabilities**
**i. Carrying value of right-of-use assets by class of underlying assets**

Particulars	As at 31 March 2020			(Rs. in Lakhs)
	Buildings	Land-leasehold	Total	
On recognition and reclassification as at April 1, 2019	-	-	-	-
Addition for the year	185.03	4,532.78	4,717.81	
Depreciation for the year	43.54	162.45	205.98	
Balance as at 31 March 2020	141.49	4,370.34	4,511.83	

**ii. Movement in lease liability during year ended**

Particulars	(Rs. in Lakhs)
As at 31 March 2020	
On recognition as at April 1, 2019	-
Additions during the year	246.20
Deletions	-
Interest on lease liabilities	29.55
Payment of lease liabilities	(67.25)
Balance as of March 31, 2020	208.50

**iii. Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:**

Particulars	(Rs. in Lakhs)
As at 31 March 2020	
Maturity analysis - contractual undiscounted cash flows	
Less than one year	67.25
One to five years	109.78
More than five years	131.47
Total undiscounted lease liabilities	308.50

**iv. Amount recognized in statement of profit and loss**

Particulars	(Rs. in Lakhs)
As at 31 March 2020	
Interest on lease liabilities	29.55
Included in rent expenses: Expense relating to short-term leases	36.52

**v. Amounts recognised in the statement of cash flows**

Particulars	(Rs. in Lakhs)
As at 31 March 2020	
Total cash outflow for leases	67.25



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 49 : Payment to Auditors

(₹ in Lakhs)

Particulars	2019-2020	2018-2019
Statutory Audit (including consolidated accounts)	25.00	25.10
Limited review of quarterly accounts	15.00	7.50
Tax audit and other audits under Income-tax Act	11.50	10.50
Certification	3.41	0.45
Out of pocket expenses	1.65	0.56
<b>Total</b>	<b>56.56</b>	<b>44.11</b>

Note : The above amounts are exclusive of GST

## 50 (a) : Additional disclosure in respect of loans given, as required by the Listing Agreement:

## i) Name of the loanee - Inox Wind Infrastructure Services Limited (₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
<b>In respect of Inter-corporate deposit</b>		
Amount at the year end	28,156.92	21,774.39
Maximum balance during the year	31,638.03	22,814.89
<b>In respect of debentures</b>		
Amount at the year end	30,000.00	40,000.00
Maximum balance during the year	40,000.00	50,000.00
Investment by the loanee in shares of the Company	Nil	Nil

## ii) Name of the loanee - Waft Energy Private Limited (₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
<b>In respect of Inter-corporate deposit</b>		
Amount at the year end	10.05	4.58
Maximum balance during the year	10.05	4.58
Investment by the loanee in shares of the Company	Nil	Nil

## iii) Name of the loanee - Wind four Renergy Private Limited (₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
<b>In respect of Inter-corporate deposit</b>		
Amount at the year end	7,177.73	-
Maximum balance during the year	7,177.73	-
Investment by the loanee in shares of the Company	Nil	Nil

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

Loans to related parties:

(₹ in Lakhs)

Name of the Party	31 March 2020	31 March 2019
Waft Energy Private Limited	10.05	4.58
Inox Wind Infrastructure Services Limited	28,156.92	21,774.39
Wind Four Renergy Private Limited	7,177.73	-

The above loans are unsecured. The inter-corporate deposits are repayable on demand and carry interest in the range of 7.50%-12% p.a. These loans are given for general business purposes.



## INOX WIND LIMITED

Notes to the standalone financial statements for the year ended 31 March 2020

## 51 : Terms of repayment and securities for non-current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Foreign currency term loan from Bank is secured by first pari-passu charge by way of hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area carries interest @ 10.25% p.a and is repayable in 18 quarterly installments starting from 30 October 2015.	-	1,490.18
Foreign currency term loan from Bank is secured by first pari-passu charge by hypothecation on the entire fixed assets of Plant at Relwa Khurd Industrial Area carries interest @ 10.50% p.a and repayable in 12 quarterly installments starting from 10 February 2017	-	1,679.50
Rupee term loan from Bank is secured by First exclusive charge on existing & future movable & immovable fixed assets of Una and Rohika Plants, carries interest @ 11.30% p.a. and is repayable in 20 quarterly installments starting from 30 September 2014.	-	125.00
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of INR 3.0 million), carries interest @ 9.10% to 10.38% p.a. and is repayable in 20 quarterly installments starting from 30 June 2017. The loan has been classified as current liability pursuant to the terms of sanction letter.	8,911.19	11,888.74
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly installments starting from 3 March 2017.	56.51	71.70
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 9.48% p.a. The loan is repayable in 36 monthly installments starting from 04 March 2020.	54.44	-

## 51a : Terms of repayment and securities for current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Supplier's credit facilities are secured by first pari-passu charge on the current assets of the Company and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.38% to 0.95%.	4,891.58	17,114.32
Working capital demand loan from bank is secured by first pari-passu charge on the current assets of the Company and carries interest in the range of 9.95% - 14% p.a)	16,895.63	5,900.00
Cash credit facilities are secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range on 10% -13.69% p.a.	11,731.46	25,513.46
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 8.25%-8.75% p.a.	1,033.45	829.50

There are no defaults on repayment of principal or payment of interest on borrowings, as on balance sheet date



**INOX WIND LIMITED****Notes to the standalone financial statements for the year ended 31 March 2020****52 : Corporate Social Responsibility (CSR)**

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) is ₹77.96 Lakhs (previous year: ₹ 523.83 Lakhs).

(b) Amount spent during the year ended 31 March 2020:

(₹ 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 (127.25)	Nil (Nil)	Nil (127.25)

(Figures in brackets pertain to previous year)

**53:** The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, the company appoints Independent GST auditor for conducting GST audit to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising from the GST Audit shall be accounted for as and when the audit is completed for the current financial year. However, the management is of the opinion that the aforesaid legislations will not have any impact on the financial statements.

**54 : Events after the reporting period**

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

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

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

Sandeep Dahiya  
Partner

Membership No 505371

UDIN: 20505371AAAAFR8372

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

Devansh Jain  
Whole-time Director  
DIN: 01819331

Kailash Lal Tarachandani  
Chief Executive Officer

Deepak Bhatia  
Company Secretary

Vineet Valentine Davis  
Whole-time Director  
DIN: 06709239

Narayan Lodha  
Chief Financial Officer

Place : New Delhi

Date : 27 June 2020

Place : Noida

Date : 27 June 2020

