INOX RENEWABLES LIMITED

AUDITED ANNUAL ACCOUNTS

2014-2015

Independent Auditor's Report

To the Members of Inox Renewables Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Inox Renewables Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015**,** the Statement of Profit and Loss,theCash Flow Statementfor the year then ended,and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, includingthe Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statementsthat give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness ofsuch controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

8. 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 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section143(3) of the Act, we report that:
    a. we have sought andobtainedall the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c. the standalone financial statementsdealt with by this report are in agreement with the books of account;
    d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified underSection 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
    e. on the basis of the written representations received from the directorsand taken on record by the Board of Directors, none of the directors is disqualifiedfrom being appointed as a director in terms of Section164(2) of the Act;
    f. 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. as detailed in Note 31 to thestandalone financial statements, the Company has disclosed the impact of pending litigations on its standalonefinancialposition;

ii. the Company, as detailed in Note 37 to the standalone financial statements, has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

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

For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N / N500013

per **Lalit Kumar**
Partner
Membership No.:095256

Place: Noida
Date: 15 May 2015

Annexure to the Independent Auditor'sReport of even date to the members of Inox Renewables Limited, on the standalone financial statements for the year ended 31 March 2015

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, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.

(iv) Owing to the nature of its business, the Company does not maintain any inventories. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are 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 sub-section (1) of Section 148 of the Act in respect of Company's products and services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.

(viii) The Company has been registered for a period of less than five years. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company has not defaulted in repayment of dues to any bank. There are no dues payable to financial institutions andthe Company did not have any outstanding debentures during the year.

(x) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, *prima facie*, prejudicial to the interest of the Company.

(xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.

(xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N / N500013

per**Lalit Kumar**
Partner
Membership No.: 095256

Place: Noida
Date:15 May 2015

INOX RENEWABLES LIMITED
BALANCE SHEET AS AT 31 MARCH 2015
(All amounts in ₹ lakh, unless otherwise stated)

	Note	As at 31 March 2015	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	337.50	305.00
Reserves and surplus	4	51,951.35	40,718.35
		52,288.85	**41,023.35**
Non-current liabilities			
Long-term borrowings	5	54,959.20	71,762.02
Deferred tax liabilities	6	213.51	(656.38)
Other long-term liabilities	7	2,722.24	2,446.26
Long-term provisions	8	15.84	10.46
		57,910.79	**73,562.36**
Current liabilities			
Short-term borrowings	9	15,979.92	5,895.92
Trade payables	10	825.36	3,922.28
Other current liabilities	11	14,533.27	24,734.64
Short-term provisions	12	5.34	11.38
		31,343.89	**34,564.22**
		141,543.53	**149,149.94**
ASSETS			
Non current assets			
Fixed assets			
(i)Tangible assets	13	98,766.41	100,454.48
(ii)Intangible assets	13	0.25	0.38
(iii)Capital work-in-progress		21,519.90	29,221.94
		120,286.56	**129,676.80**
Non-current investment	14	10,605.00	10,605.00
Long-term loans and advances	15	2,209.88	1,211.17
Other non-current assets	16	0.10	0.10
		133,101.54	**141,493.07**
Current assets			
Trade receivables	17	5,785.80	3,310.51
Cash and bank balances	18	1,869.56	1,873.67
Short-term loans and advances	19	725.26	2,344.41
Other current assets	20	61.37	128.28
		8,441.99	**7,656.87**
		141,543.53	**149,149.94**

Notes 1 to 42 form integral part of the financial statements

This is the balance sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

For and on behalf of Board of Directors of Inox Renewables Limited

per **Lalit Kumar**
Partner

Director | Director

Place: Noida
Date: 15 May 2015

INOX RENEWABLES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015
(All amounts in ₹ lakh, unless otherwise stated)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue			
Revenue from operations	21	13,359.81	11,575.13
Other income	22	334.10	199.94
Total revenue		**13,693.91**	**11,775.07**
Expenses			
Operation and maintenance expenses	23	1,384.65	691.73
Employee benefits expense	24	173.73	208.50
Depreciation and amortisation	13	4,980.79	2,942.45
Finance cost	25	6,570.32	5,742.89
Other expenses	26	264.21	732.44
Prior period expense	27	5.73	-
Total expenses		**13,379.43**	**10,318.00**
Profit before tax		**314.48**	**1,457.07**
Tax expense:			
Current tax		458.06	305.41
Tax for earlier years		153.09	-
MAT credit entitlement		(611.15)	(305.41)
Deferred tax		869.89	289.13
Profit after tax		**(555.41)**	**1,167.94**
Earning per equity share			
Basic and diluted (Nominal value of share ₹ 10)	28	(16.99)	38.29

Notes 1 to 42 form integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

For and on behalf of Board of Directors of Inox Renewables Limited

per **Lalit Kumar**
Partner

Director

Director

Place: Noida
Date: 15 May 2015

INOX RENEWABLES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015
(All amounts in ₹ lakh, unless otherwise stated)

		For the year ended 31 March 2015	For the year ended 31 March 2014
A	**Cash flow from operating activities**		
	Net profit before tax	314.48	1,457.07
	Adjustments for :		
	Depreciation and amortisation	4,980.79	2,942.45
	Gain on settlement of derivative	(47.68)	(37.59)
	Mark to market (gain)/ loss on derivative contracts	(72.56)	346.49
	Interest income	(213.86)	(143.67)
	Interest expense	6,570.33	5,742.89
	Provision written back	-	(5.33)
	Advance written off	-	14.76
	Provision for employee benefits	(0.66)	4.41
	Operating profit before working capital changes	**11,530.84**	**10,321.47**
	Adjustment for changes in working capital:		
	(Decrease)/increase in trade receivables	(2,475.29)	1,852.15
	Increase in long term loans and advances	(319.44)	194.24
	Increase in short term loans and advances	852.52	427.90
	(Decrease)/ increase in trade payables	(3,096.92)	1,470.51
	Increase in long term liabilities	275.98	1,125.47
	(Decrease) in other current liabilities	(154.30)	(81.21)
	Cash generated from operations	**6,613.39**	**15,310.53**
	Taxes paid	(363.95)	(325.00)
	Net cash generated from operating activities	**6,249.44**	**14,985.53**
B	**Cash flow from investing activities**		
	Purchase of fixed assets	(2.31)	(6,099.33)
	Increase in capital work in progress	(3,186.23)	(9,453.75)
	Increase in corporate deposit to subsidiary	490.00	48.00
	Investment in bank deposits (having original maturity of more than three months)	(1,670.80)	(1,600.00)
	Redemption of bank deposits (having original maturity of more than three months)	1,750.00	-
	Interest received	294.85	36.49
	Net cash used in investing activities	**(2,324.49)**	**(17,068.59)**
C	**Cash flow from financing activities**		
	Proceeds from issue of equity share capital	12,577.50	-
	Proceeds from short term borrowings	17,544.00	17,347.92
	Repayment of short term borrowings	(7,460.04)	(21,558.00)
	Proceeds from long term borrowings	-	18,750.00
	Repayment of long term borrowings	(18,189.95)	(6,857.63)
	Interest paid	(8,321.37)	(5,523.40)
	Net cash (used in)/generated from financing activities	**(3,849.86)**	**2,158.89**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**75.09**	**75.82**
Cash and cash equivalents as at the beginning of the year		**123.67**	**47.85**
Cash and cash equivalents as at the end of the year (refer note 18)		**198.76**	**123.67**

INOX RENEWABLES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015
(All amounts in ₹ lakh, unless otherwise stated)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Components of cash and cash equivalents		
Cash in hand	0.08	0.08
Bank balances in current accounts	198.68	123.59
	198.76	**123.67**

Notes 1 to 41 form integral part of the financial statements

This is the cash flow statement referred to in our report of even date

For **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants

per **Lalit Kumar**
Partner

For and on behalf of Board of Directors of Inox Renewables Limited

Director

Director

Place: Noida
Date: 15 May 2015

(All amounts in ₹lakh, unless otherwise stated)

1. Nature of operations-

Inox Renewables Limited (the "Company") was incorporated on 11 November, 2010 and is engaged in the business of generation and sale of wind energy and providing services for erection and commissioning of wind farms. The Company is a subsidiary of Gujarat Fluorochemicals Limited. All the activities of the Company are in India. The registered office of the Company is situated at Vadodara, Gujarat.

2. Significant accounting policies

a) Basis of accounting

The financial statements have been prepared to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013read with rule 7 of the companies (Accounts) Rules 2014 (as amended) and the guiding principles of the Accounting Standard 30, Financial Instruments- Recognition and Measurement issued by the Institute of Chartered Accountants of India in respect of certain derivative instruments. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis as modified by the fair value accounting for certain derivatives. The accounting policies have been consistently applied by the Company unless specifically stated otherwise.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Fixed assets and depreciation

Fixed assets and intangible assets (gross block) are stated at historical cost less accumulated depreciation, amortisation and impairment if any. Cost comprises the purchase price, borrowing cost and any attributable cost of bringing the asset to its working condition for its intended use.
Depreciation/amortisation on fixed assets including intangible assets for the year ended 31 March 2014 was provided on straight line method at rates which are either greater than or equal to the corresponding rates in Schedule XIV of the Companies Act, 1956, based on management estimate of the useful life of the assets.

Pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs effective 1 April 2014, the management has reassessed and changed, the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013. Depreciation on fixed assets for the year ended 31 March 2015 is provided on straight line method as per the rates prescribed under Schedule II of the Companies Act, 2013.
The Comparison of useful lives is as follows:

Block of asset	Useful life as per Companies Act, 2013 (in years)	Existing useful life as per Companies Act, 1956 (in years)
Plant and Machinery	15-22	19
Furniture and fixtures	10	10
Vehicles	10	10
Office equipments	3-5	20
Computer software	6	6

The leasehold land is amortized on time proportion basis over the period of lease i.e. 19 years.

d) Capital work in progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

e) Investments

Investments are classified as long term or current, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Trade investments are the investments made for or to enhance the Company's business interests.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements.

f) Revenue recognition:

i) Sale of electricity

Revenue from generation and sale of electricity is recognized on the basis of actual power sold (net of reactive energy consumed) in accordance with the terms of the power purchase agreements entered with the respective customers and when no significant uncertainty exists regarding the amount of consideration that will be derived.

ii) Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable rate of interest.

g) Employee benefits :

Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard 15 - Employee Benefits (Revised 2005).

(i) Provident fund

The Company makes contribution to statutory provident fund, in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The present value of defined benefit/obligation is calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses are determined.

(iii) Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses are determined.

(iv) Other short term benefits

Short term benefits comprises employee costs such as salaries, bonuses, and paid annual leaves and sick leaves are accrued in the year in which the services are rendered by employees of the Company.

h) Foreign currency transactions

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate.
The exchange differences arising on such conversion and on settlement of the transactions are recognized in the statement of profit and loss.

In terms of the clarification provided by Ministry of Corporate Affairs ("MCA") vide a notification no. G.S.R.913(E) on Accounting Standard – 11 "Changes in Foreign Exchange Rates", the exchange gain/loss on long term foreign currency monetary items is adjusted in the cost of depreciable capital and depreciated over the balance life of the assets. The other exchange gains/losses are recognized in the statement of profit and loss.

i) Accounting for hedges and derivatives

The Company uses various forms of derivative instruments such as options and interest rate swaps to hedge its exposure on account of movements in foreign exchange and interest rates. The use of derivatives is governed by Company's risk management strategy and Company's risk management policies for use of such financial derivatives. The company does not use derivative financial instruments for speculative purposes. The derivatives are entered only where the counterparty is abank.

Interms of the notification by the Institute of Chartered Accountants of India on status of Accounting Standard 30, "Financial Instruments: Recognitions and Measurement", the Company during the previous year has adopted the rules for hedge accounting contained in Accounting Standard 30. Accordingly, derivatives such as option contracts and interest rate swaps to hedge highly probable forecasted transactions which are outside the scope of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" may be designated as a hedging instrument in a permittedhedging relationship if the conditions for hedge accounting are met including high hedge effectiveness at the inception and throughout the period of the hedge.

Derivatives covered by Accounting Standard 11, or those that do not qualify for hedge accounting, or those not designated as an effective hedge in a permitted hedging relationship continue to be accounted for using the principle of prudence under Accounting Standard 1, and the mark to market losses if any are recognized fully in the profit and loss account at each reporting date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in ‘Hedging Reserve Account’. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit andloss. Amounts previously recognized in ‘Hedging Reserve Account’ and are reclassified to statement of profit and loss in the same periods when the hedged item affects profit andloss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that had been deferred in equity will be recognized immediately in the statement of profit and loss.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss. The hedged item is recorded at fair value and any gain or loss is recorded in the statement of profit and loss and is offset by the gain or loss from the change in the fair value of the derivative.

Hedge accounting is discontinued on a prospective basis when the hedge no longer meets the hedge accounting criteria, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting, or when the Company revokes the hedging relationship.

j) Borrowing costs

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 “Borrowing Costs”. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss account as incurred.

k) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, the timing differences originating and reversing during the tax holiday period have not been considered while computing deferred tax.

Minimum alternate tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

l) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

m) Contingent liabilities and provisions:

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.
A disclosure is made for a contingent liability when there is a:

possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Company; or

present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

present obligation, where a reliable estimate cannot be made.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

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(All amounts in lakh, unless otherwise stated)

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	**Amount**	**Number of shares**	**Amount**
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 each	40.00	400.00	31.00	310.00
Issued, subscribed and fully paid up capital				
Equity shares of ₹ 10 each	33.75	337.50	30.50	305.00
	33.75	**337.50**	**30.50**	**305.00**

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

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity shares				
Shares outstanding at the beginning of the year	30.50	305.00	30.50	305.00
Shares issued during the year	3.25	32.50	-	-
Shares outstanding at the end of the year	**33.75**	**337.50**	**30.50**	**305.00**

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

c) Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	**% of holding**	**Number of shares**	**% of holding**
Gujarat Fluorochemicals Limited	33.74	99.98%	30.49	99.98%
	33.74	**99.98%**	**30.49**	**99.98%**

d) Details of shares held by Holding Company

	As at 31 March 2015		As at 31 March 2014	
	Number of shares	**% of holding**	**Number of shares**	**% of holding**
Gujarat Fluorochemicals Limited	33.74	99.98%	30.49	99.98%
	33.74	**99.98%**	**30.49**	**99.98%**

e) The Company has not issued bonus shares, equity shares issued for considerations other than cash and also no shares has been bought back

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(All amounts in ₹ lakh, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
4 Reserves and surplus		
Securities Premium Account		
Balance at the beginning of the year	-	-
Addition during the year	12,545.00	-
	12,545.00	**-**
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	3,524.28	2,356.34
Add: Transferred from statement of profit and loss)	(555.41)	1,167.94
Balance at the end of the year	**2,968.87**	**3,524.28**
Revaluation reserve		
Balance at the beginning of the year	37,469.64	39,673.88
Less: Depreciation during the year	-	(2,204.24)
	37,469.64	**37,469.64**
Hedging reserve account		
Balance at the beginning of the year	(275.57)	-
Addition during the year (Refer note 37)	(756.59)	(275.56)
	(1,032.16)	**(275.56)**
	51,951.35	**40,718.35**
5 Long term borrowings		
Secured loans		
Foreign currency term loans from banks	38,290.45	43,412.52
Term loan from bank	12,482.25	17,749.50
Term loan from others	4,186.50	-
Unsecured loans from the Holding Company		
Gujarat Fluorochemicals Limited	-	10,600.00
	54,959.20	**71,762.02**

Foreign currency term loans from banks includes the following:

1. Foreign currency term loan from ICICI bank (DIFC-Dubai) in 2 tranches:

a. 3,004,358,400 (previous year ₹ 3,245,389,200) from ICICI Bank Limited carrying an interest rate of 6 months Libor+4.14% per annum, repayable in 20 equal half yearly installments starting from 3 August 2013 and last installment falling due on 3 Feb 2023 for 50 megawatt Dangri.

b. 1,178,179,765 (previous year ₹ 1,272,701,672) from ICICI Bank Limited carrying an interest rate of 6 months Libor+4.14% per annum, repayable in 20 half yearly installments starting from 20 September 2013 and last installment falling due on 20 March 2023 for 20 megawatt Dangri.

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Both the tranches are secured by way of:

a) Exclusive charge over all the borrowers immovable assets, all present and future movable fixed assets identified under the project assets of Ossiya-1 i.e 19.5 megawatt.

b) Exclusive charge over the escrow account to be opened with ICICI Bank Limited, India (Escrow Bank) for project Dangri and Ossiya-1

c) Exclusive charge on all project documents, rights, titles, permits, approvals in respect of all the assets of the project including power purchase agreement and wheeling agreements and all project documents including all insurance policies relating to project, project book debts, operating cash flows, revenue of whatsoever nature including "Certified Emission Reduction" (CER) receivables.

d) First pari passu with ICICI Bank, Bahrain over immovable assets and all present and future movable fixed assets identified at project of Gude Panchgani 23.1 megawatt.

e) First pari-passu charge over the escrow account with respect to Gude Panchagani 23.1 megawatt.

2. Foreign currency term loan from ICICI bank (Bahrain):

Foreign currency term loan of 338,649,170 (previous year ₹ 487,757,296) from ICICI Bank Limited carrying an interest rate of 5.86 % per annum, repayable in 38 equal quarterly installments starting from 20 December, 2007 and last installment falling due in March 2017.

These loans are secured by way of:

a) First mortgage/charge/security interest on all of the company's present and future assets pertaining to the Gude Panchagani 23.1 megawatt project including all movable properties.

b) ICICI bank have a charge/lien over the escrow account, where the cash flows out of the project (sale proceeds from the power sold to Maharashtra State Electricity Board) are to be deposited by the company.

3. Rupee term loan from Yes Bank Limited (Mumbai)

Rupee term loan of 1,320,000,000 (previous year ₹ 1,375,000,000) from Yes Bank Limited carrying an interest rate of 12.35 % p.a, repayable in quarterly installments starting from 31 December, 2014 and last installment falling due in 30 June 2028.

These loans are secured by way of:

a) First charge on all the present and future tangible/intangible movables assets, current assets including receivables, others reserves and bank accounts pertaining to project.
b) First charge on all the present and future immovables assets both freehold and leasehold pertaining to the project.
c) First charge on all the rights, title, interest, benefits, claims and demands whatsoever of the Company in project agreements, clearances etc. pertaining to the project.

4. Rupee term loan from Aditya Birla Finance Limited

Rupee term loan of ₹ 454,950,000 (previous year ₹ 487,500,000) from Aditya Birla Finance Limited carrying an interest rate of 12.40 % p.a, repayable in quarterly installments starting from 31 December, 2013 and last installment falling due in 30 June 2023.

These loans are secured by way of:

a) First charge on all the present and future tangible/intangible movables assets, current assets including receivables (pertaining to 22.5 MW Rajasthan project (Sadiya & Ossiya II)).
b) First charge on all the present and future immovables assets both freehold and leasehold pertaining to the 22.5 MW Rajasthan project (Sadiya and Ossiya II).
c) First charge on all the projects bank accounts including but not limited to escrow account and any other reserves and other bank accountsof the borrower pertaining to the 22.5 MW Rajasthan project (Sadiya and Ossiya II)

Unsecured loans from the Holding Company

The rate of interest on these deposits is 10% per annum.

(All amounts in ₹ lakh, unless otherwise stated)

6 Deferred tax liability (net)

Deferred tax asset arising on account of:		
Unabsorbed losses	-	(648.95)
Gratuity	(3.11)	(5.30)
Compensated absences	(4.09)	(2.12)
Deferred tax liability arising on account of:		
Depreciation	220.71	-
	213.51	**(656.38)**

7 Other long term liabilities

Income received in advance	2,722.24	2,446.26
	2,722.24	**2,446.26**

8 Long term provisions

Provision for employee benefits		
- for compensated absences	6.79	5.98
- for gratuity	9.05	4.49
	15.84	**10.46**

9 Short term borrowings

Unsecured loans from related party		
Inox Wind Limited	15,979.92	5,895.92
	15,979.92	**5,895.92**

a) Details of terms of repayment for the short term borrowings
The inter-corporate deposit from related parties is repayable on demand. The rate of interest on the deposit is 10% per annum.

10 Trade payables

Due to:		
Micro, small and medium enterprises (refer note 32)	-	-
Others	825.36	3,922.28
	825.36	**3,922.28**

11 Other current liabilities

Current maturities of long term borrowings (refer note 5)	8,002.17	7,521.46
Interest accrued and due on borrowings	399.87	2,148.33
Interest accrued but not due on borrowings	636.96	687.22
Advance from customers	147.40	145.60
Income received in advance	174.33	144.88
Creditors for capital expenditure	3,109.39	12,507.13
Derivative financial liabilities	1,306.09	622.05
Statutory dues	81.26	66.21
Other liabilities	675.80	891.76
	14,533.27	**24,734.64**

12 Short term provisions

Provision for employee benefits		
- for compensated absence	5.24	9.63
- for gratuity	0.10	1.76
	5.34	**11.38**

13. Fixed assets

A. Tangible fixed assets

Gross carrying amount	Freehold land	Leasehold land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total tangible assets
Balance as at 1 April 2013	150.05	200.40	97,155.11	36.49	2.34	20.80	**97,565.19**
Additions	10.00	-	6,088.10	-	-	1.23	**6,099.33**
Adjustments							
- on account of exchange rate fluctuations	-	-	5,474.56	-	-	-	**5,474.56**
- on account of borrowing costs	-	-	197.92	-	-	-	**197.92**
Balance as at 31 March 2014	**160.05**	**200.40**	**108,915.68**	**36.49**	**2.34**	**22.03**	**109,337.00**
Additions	-	164.14	977.67	-	-	2.31	1,144.12
Adjustments							
- on account of exchange rate fluctuations	-	-	1,867.84	-	-	-	1,867.84
- on account of borrowing costs*	-	-	280.63	-	-	-	280.63
Balance as at 31 March 2015	**160.05**	**364.54**	**112,041.83**	**36.49**	**2.34**	**24.34**	**112,629.59**
Accumulated depreciation							
Balance as at 1 April 2013	**-**	**8.61**	**3,720.83**	**2.95**	**0.19**	**3.37**	**3,735.96**
Revaluation charge	-	4.56	2,198.24	0.29	0.17	0.98	**2,204.24**
Depreciation charge	-	5.99	2,932.58	1.94	0.05	1.75	**2,942.32**
Balance as at 31 March 2014	**-**	**19.16**	**8,851.65**	**5.18**	**0.41**	**6.11**	**8,882.52**
Revaluation charge	-	4.56	1,861.25	0.50	0.19	4.40	**1,870.89**
Depreciation charge	-	10.21	3,088.96	3.31	0.05	7.24	**3,109.77**
Balance as at 31 March 2015	**-**	**33.93**	**13,801.86**	**8.99**	**0.65**	**17.75**	**13,863.18**
Net block							
Balance as at 31 March 2014	**160.05**	**181.24**	**100,064.03**	**31.32**	**1.93**	**15.92**	**100,454.48**
Balance as at 31 March 2015	**160.05**	**330.61**	**98,239.97**	**27.50**	**1.69**	**6.59**	**98,766.41**

B. Intangible fixed assets

Gross carrying amount	Computer software	Total
Balance as at 1 April 2013	**0.76**	**0.76**
Additions	**-**	**-**
Balance as at 31 March 2014	**0.76**	**0.76**
Additions	**-**	**-**
Balance as at 31 March 2015	**0.76**	**0.76**
Accumulated amortisation		
Balance as at 1 April 2013	**0.26**	**0.26**
Amortisation charge	**0.12**	**0.12**
Balance as at 31 March 2014	**0.38**	**0.38**
Amortisation charge	**0.13**	**0.13**
Balance as at 31 March 2015	**0.51**	**0.51**
Net block		
Balance as at 31 March 2014	**0.38**	**0.38**
Balance as at 31 March 2015	**0.25**	**0.25**

* This has been transferred from CWIP to fixed assets on account of change in the capitalisation plan of Maharashtra location

**Effective from 1 April 2014, the Company has revised the estimates of computing depreciation based on the revised useful life of the assets as per the requirements of Schedule-II of the Act. Consequently, the depreciation charged for the year ended 31 March 2015 is lower by ₹ 496.54 lacs and profit for the year is higher by the corresponding amount.

	As at 31 March 2015	As at 31 March 2014
14 Non current investment		
(Long term, trade, at cost and unquoted)		
In equity shares:		
Trade investment (unquoted) at cost		
- In subsidiary - Inox Renewables (Jaisalmer) Limited	10,605.00	10,605.00
(1060.50 lakh equity shares (previous year 1060.50 lakh) of 10 each)		
	10,605.00	**10,605.00**

a) Aggregate amount of unquoted investment at cost ₹ 10,605.00 (previous year 10,605.00).

	As at 31 March 2015	As at 31 March 2014
15 Long term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Capital advances	242.61	174.48
Security deposits	582.85	0.85
Advance tax (net of provision for tax ₹ 1,223.20 lakh(previous year ₹ 440.99 lakh))	332.27	594.84
MAT credit entitlement	1,052.15	441.00
	2,209.88	**1,211.17**
16 Other non current assets		
Fixed deposit	0.10	0.10
	0.10	**0.10**
17 Trade receivables		
(unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	600.98	492.67
Unsecured, considered doubtful	1.06	1.06
	602.04	**493.73**
Less: Provision for doubtful debts	(1.06)	(1.06)
	600.98	**492.67**
Others		
Unsecured, considered good	5,184.82	2,817.84
	5,785.80	**3,310.51**

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(All amounts in ₹ lakh, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
18 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	0.08	0.08
Balance with banks		
- In current accounts	198.68	123.59
	198.76	**123.67**
Other bank balances		
- Fixed deposit with original maturity of more than three months but less than twelve months maturity period	1,670.80	1,750.00
	1,869.56	**1,873.67**
19 Short term loans and advances		
a) Loans and advances to related parties		
(unsecured, considered good, unless otherwise stated)		
Inter corporate deposit		
- Inox Renewables (Jaisalmer) Limited	-	490.00
b) Advances recoverable in cash or in kind or for value to be received	38.57	215.72
c) Other loan and advances		
Security deposits	686.69	1,638.69
	725.26	**2,344.41**
20 Other current assets		
WCT receivable	14.09	-
Interest accrued but due on investments	10.07	45.10
Interest accrued but not due	-	-
- on fixed deposits	37.21	83.18
	61.37	**128.28**

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(All amounts in ₹ lakh, unless otherwise stated)

	For the year ended 31 March 2015	For the year ended 31 March 2014
21 Revenue from operations		
Revenue from power generation	12,643.41	11,430.25
Other operating revenue	716.40	144.88
	13,359.81	**11,575.13**
Details of sale of product		
Sale of wind energy	11,844.88	10,514.17
Income from green benefit incentive	705.37	771.68
Income from sale of renewable energy certificate	93.16	144.40
	12,643.41	**11,430.25**
Details of sale of services		
Sharing of common infrastructure charges	716.40	144.88
	716.40	**144.88**
22 Other income		
Interest on fixed deposits	156.28	98.16
Profit on redemption of mutual fund units	1.36	11.20
Interest on income tax refund	-	2.82
Other interest income	56.22	42.69
Provision written back	-	5.33
Miscellaneus income	-	2.15
Mark to market gain on derivative contracts	72.56	-
Gain on settlement of derivative	47.68	37.59
	334.10	**199.94**
23 Operation and maintenance expenses		
Operations and maintenance expenses	854.75	691.73
Shared service procurement cost	529.90	-
	1,384.65	**691.73**
24 Employee benefits expense		
Salary and wages	165.95	196.43
Contribution to gratuity	2.91	-
Contribution to provident and other funds	4.87	12.06
	173.73	**208.50**
25 Finance costs		
Interest on:		
Term loan from banks	6,733.19	5,116.63
Other loans	1,289.43	1,770.09
Interest on delayed payment of income tax	15.36	-
Interest on delayed payment of UI charges	43.71	43.71
	8,081.69	6,930.43
Less: Transferred to capital work in progress	(1,511.37)	(989.62)
Less: Transferred to fixed assets	-	(197.92)
	6,570.32	**5,742.89**

(All amounts in ₹ lakh, unless otherwise stated)

26 Other expenses

Legal and professional	105.35	125.07
Rates and taxes	8.08	25.06
Repairs and maintenance on plant and machinery	5.45	13.91
Payment to auditors (refer note 29)	6.74	6.74
Rent	38.90	22.77
Travelling and conveyance expenses	36.41	64.71
Communication expenses	4.51	6.40
Insurance expenses	23.07	75.11
Security expenses	16.07	17.07
Advance written off	-	14.76
Mark to market loss on derivative contracts	-	346.49
Miscellaneous expenses	19.63	14.34
	264.21	**732.44**

27 Prior period items

Legal and professional charges	5.73	-
	5.73	**-**

28 Basic and diluted earning per share

Net profit attributable to equity shareholders	(555.41)	1,167.94
Number of fully paid equity shares at the end of the year	33.75	30.50
Weighted average number of equity shares outstanding during the year	32.69	30.50
Nominal value of equity share (₹)	10.00	10.00
Basic and diluted earnings per equity share (₹)	(16.99)	38.29

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(All amounts in ₹lakh, unless otherwise stated)

29. Particulars of payment to auditors:-

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Statutory audit	3.00	3.00
Other services	3.00	3.00
Service tax	0.74	0.74
Total	**6.74**	**6.74**

30. Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances as at 31 March 2015 amounts to 3,416.96(previous year ₹14,239.39).

31. Contingent liabilities

Particulars	31 March 2015	31 March 2014
(a) Claims against the company not acknowledged as debt - in respect of claim filled by M/s JayeshElectricals Ltdinrespect of outstanding payment.	64.74	--
(b) Other money for which the company is contingently liable. - Corporate guarantee in favour of International Finance Corporation (IFC) for loan taken by Inox Renewables (Jaisalmer) Limited (Subsidiary)	23,518.62	24,828.12
- Liability in respect of losses suffered by Rajasthan RajyaVidyutPrasaran Nigam Limited due to under injections of energy by the Company	870.00	870.00

32. Based on the information available with the Company, there are no dues outstanding in respect of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) at the balance sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further, no interest during the year has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

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(All amounts in ₹lakh, unless otherwise stated)

33. Employee benefits:

a) **Defined benefit plans:** The amounts recognized in respect of gratuity and compensated absence, as per actuarial valuation, are as under:-

A. Gratuity
Amount recognised in the statement of profit and loss is as under:

S.No.	Description	31 March 2015	31 March 2014
a)	Current service cost	3.78	3.44
b)	Interest cost	0.57	0.93
c)	Actuarial (gain)recognised during the year	(1.45)	(9.70)
d)	Expense recognised in the statement of profit and loss	2.91	(5.33)

Movement in the liability recognised in the balance sheet is as under:

S.No	Description	31 March 2015	31 March 2014
a)	Present value of defined benefit obligation as the beginning of the year	6.25	11.58
b)	Current service cost	3.78	3.44
c)	Interest cost	0.57	0.93
d)	Actuarial (gain)recognised during the year	(1.45)	(9.70)
e)	Contributions paid	-	-
f)	Present value of defined benefit obligation as at the end of the year	9.15	6.25

For determination of the gratuity liability of the Company, the following actuarial assumptions were used:

S.No.	Description	31 March 2015	31 March 2014
a)	Discount rate	7.77%	9.19%
b)	Rate of increase in compensation level	8.00%	8.00%

B. Compensated absences

Amount recognised in the statement of profit and loss is as under:

S.No.	Description	31 March 2015	31 March 2014
a)	Current service cost	3.63	5.89
b)	Interest cost	0.62	0.52
c)	Actuarial (gain)recognised during the year	(1.21)	(1.65)
d)	Expense recognised in the statement of profit and loss	3.05	2.80

(All amounts in ₹lakh, unless otherwise stated)

Movement in the liability recognised in the balance sheet is as under:

S.No.	Description	31 March 2015	31 March 2014
a)	Present value of defined benefit obligation as at the beginning of the year	15.60	11.19
b)	Current service cost	1.80	5.89
c)	Interest cost	0.62	0.52
d)	Actuarial (gain) recognized during the year	(1.21)	(1.65)
e)	Contributions paid	(4.79)	(0.35)
f)	Present value of defined benefit obligation as at the end of the year	12.03	15.60

For determination of the compensation absence liability of the Company, the followingactuarial assumptions were used:

S.No.	Description	31 March 2015	31 March 2014
a)	Discount rate	7.77%	9.19%
b)	Rate of increase in compensation level	8.00%	8.00%

C. Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952. This is post-employment benefit and is in the nature of defined benefit plan. Contribution made by the Company during the year is 8.44(previous year ₹12.06).

34. Related party disclosure:

Information required to be disclosed under the Accounting Standard 18 on 'Related Party Disclosures' are given below:

a) Relationships

(i) Holding/ultimate holding company:
Gujarat Fluorochemicals Limited - Holding Company
Inox Leasing and Finance Limited- Ultimate Holding Company

(ii) Subsidiary/fellow subsidiary entities at any time during the year with whom there are transactions during the year
Inox Renewables (Jaisalmer) Limited- Subsidiary
Inox Wind Limited – Fellow Subsidiary
Inox Wind Infrastructure Services Limited– Fellow Subsidiary

(iii) Key managerial personnel
Devansh Jain
Vivek Kumar Jain
Pavan Kumar Jain

(All amounts in ₹ lakh, unless otherwise stated)

(b) The following transactions were carried out with related parties in the ordinary course of business

Particulars	Holding company		Subsidiary		Fellow subsidiary			
	Gujarat Fluorochemicals Limited		Inox Renewables(Jaisalmer) Limited		Inox Wind Limited		Inox Wind Infrastructure Limited	
A) Transactions during the year								
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Issue of share	32.50	-	-	-	-	-	-	-
Unsecured loan received	-	-	611.00	2,237.00	16,933.00	15,110.92	-	-
Unsecured loan given	-	-	2,798.00	2,090.00	-	-	-	-
Receipt of loan granted	10,600.00	-	611.00	2,237.00	6,849.04	19,321.00	-	-
Unsecured loan given/adjusted	-	-	3,288.00	2,138.00	-	-	-	-
Interest expenses on unsecured loan	351.40	1,060.00	5.09	11.27	925.32	697.54	-	-
Interest income on unsecured loan	-	-	56.18	42.65	-	-	-	-
Operation and maintenance charges	-	-	-	-	-	-	33.26	40.28
Income from shared services	-	-	-	-	-	-	5.98	-
Expense for shares services	-	-	-	-	-	-	529.88	1,515.23
Expenses incurred on our behalf	3.31	18.67	-	-	118.65	1.34	100.50	36.57
Expenses to be reimbursed	-	-	4.94	490.99	-	-	31.10	63.97
Purchase of assets	-	-	-	-	-	21,230.00	-	-
Return of assets	-	-	-	-	7,872.00	-	-	-

B) Balances at the year end								
Particulars	**Holding company**		**Subsidiary**		**Fellow subsidiary**			
	Gujarat Fluorochemicals Limited		Inox Renewables(Jaisalmer) Limited		Inox Wind Limited		Inox Wind Infrastructure Limited	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Unsecured loan payable	-	10,600.00	-	-	15,979.92	5,895.92	-	-
Unsecured loan receivable	-	-	-	490.00	-	-	-	-
Interest payable	-	1,753.05	-	10.15	399.87	385.13	-	-
Interest receivable	-	-	10.07	45.10	-	-	-	-
Advance recoverable	-	-	0.19	21.18	-	-	-	-
Other current liabilities	147.66	178.37	-	-	2,403.97	11,758.72	172.76	3,724.29

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(All amounts in lakh, unless otherwise stated)

35. The Company is engaged in the business of generation of wind energy which as per notified Accounting Standard 17 on "Segment Reporting" of the Companies (Accounting Standards) Rules 2006, is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

36. The Company's significant leasing arrangements are in respect of operating leases for premises (offices and residential accommodations). These lease arrangements are cancelable, range between 11 to 36 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals amounting to ₹38.90 (previous year ₹22.77)are charged as 'Rent' in the statement of profit and loss.

37. Derivative outstanding and foreign currency exposure as at Balance Sheet date:

a) Following are the outstanding derivative contracts entered into by the Company as at 31 March 2015 and 31 March 2014:

S. No.	Nature of contract	Foreign currency	Buy/sell	Purpose
(i)	Interest rate swap	USD	Buy	Hedging of interest rate of loan
(ii)	Currency option	USD	Buy	Hedging of foreign currency

The company has classified its interest rate swap contract that hedge interest rate risk associated with highly probable forecasted transaction as cash flow hedge and measures it on fair value. The effective portion of such cash flow hedge is recorded as part of reserves and surplus with in the "Hedging Reserve Account" and re-classified in the Statement of Profit and Loss as interest expense in the period corresponding to theoccurrence of the highly probable forecasted transactions.

b) Details of foreign currency exposures that are hedged by a derivative instrument or otherwise included in borrowing is as mentioned below:

S.No.	Particulars	31 March 2015		31 March 2014	
		USD	INR	USD	INR
(a)	ECB loan	622.99	38,993.70	621.16	37,331.46
(b)	Interest payable	5.06	306.89	5.52	330.25

The loan as on 31 March 2015 has been restated @ ₹62.59 per USD.

c) The details of foreign currency exposures that are not hedged by a derivative instrument or otherwise included in borrowing is as mentioned below:

S.No.	Particulars	31 March 2015		31 March 2014	
		USD	INR	USD	INR
(a)	ECB loan	99.35	6,218.17	211.76	12,727.01
(b)	Interest payable	0.15	9.27	0.32	19.15

The loan as on 31 March 2015 has been restated @ ₹62.59 per USD.

38. Expenditure in foreign currency (on accrual basis)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Interest expense	4,407.63	3,890.14

39. The Company has an outstanding balance recoverable for electricity delivered from the 12MW wind farm at Village Sadiya, Jaisalmer for the period from April, 2008 to December, 2008 for ₹482.31. On 27 August 2008, vide its Order, Central Electricity Regulatory Commission (CERC) directed the electricity distribution company to release the said amounts to the Company.

Accordingly, based on the above developments, the management strongly believes that this amount is good for recovery and is expected to be realized in the near future.

40. On 30 March 2012, the company revalued its fixed assets of the wind energy business acquired as part of slump sale from Gujarat Fluorochemicals Limited, the holding Company. Consequently Rs. 41,878.13 lac was credited to the revaluation reserve with corresponding addition to gross block of respective fixed assets. During the previous year the depreciation on the revalued assets had been adjusted against the revaluation reserve. However during current year, pursuant to Schedule II to the Companies Act 2013 which requires charging depreciation on the cost of an asset or revalued amount, the depreciation on the revalued asset amounting to Rs. 1,870.89 lac has been charged to Statement of Profit and Loss.

41. The Company has entered into power purchase agreements with the distribution companies for 19 years for sale of power generation and will have certain revenues and sufficient taxable profit after the tax holiday period against which the deferred tax assets shall be adjusted. Provision of deferred tax asset in compliance of the notified Accounting Standard 22 on 'Accounting for Taxes on Income' has been made as the Company has unabsorbed depreciation which can be carried forward infinitely.

42. Previous year figures have been regrouped/ rearranged wherever considered necessary to make them comparable with those of the current year.

For **Walker Chandiok& Co LLP**
(formerly Walker, Chandiok& Co)
Chartered Accountants

per**Lalit Kumar**
Partner

Place: Noida
Date: 15 May 2015

For and on behalf of the Board of Directors of
Inox Renewables Limited

Director **Director**

Head-Accounts and Taxation