

Independent Auditor's Report to the members of Inox Wind Infrastructure Services Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Inox Wind Infrastructure Services Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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

Auditor's Responsibility

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

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

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



Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March 2017, financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in paragraph 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, 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 II.




Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 (continued)

- (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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – refer Note 40 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of account maintained by the Company – refer Note 45 to the Ind AS financial statements.

Place: Pune
Date: 12 May, 2017



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


S S Agrawal
Partner
Membership No. 049051

Annexure I to Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 – referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In term of the Companies (Auditor's Report) Order, 2016 ("the Order"), on the basis of information and explanation given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. The title deeds of all immovable properties are held in the name of the Company.
2. The inventories were physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on physical verification of inventories as compared to book records.
3. The Company has granted unsecured loans, to five companies covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of the said loans are not, prima facie, prejudicial to the interest of the Company. The said parties are regular in repayment of principal and payment of interest, as stipulated, and there are no overdue amounts.
4. The Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 in respect of loans given and investments made. The Company has not provided any guarantees or securities.
5. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder and hence the provisions of clause 3(v) of the Order are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 for activities of the Company to which the said Rules are made applicable, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.



Annexure I to Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 (continued)

7. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and no amounts in respect of such statutory dues were in arrears, as at the end of the year, for a period of more than six months from the date they became payable.

There are no dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited on account of disputes.

8. The Company has not defaulted in repayment of loans and borrowings from financial institution or by way of debentures and the Company did not have any borrowings from bank or Government.
9. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has complied with the provisions of section 197 of the Companies Act, 2013 regarding payment of managerial remuneration.
12. The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
14. During the year, the Company has made private placement of redeemable non-convertible debentures. The Company has complied with the requirement of section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of shares during the year.
15. The Company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of clause 3(xv) of the Order are not applicable to the Company.



Annexure I to Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 (continued)

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions of clause 3(xvi) of the Order are not applicable to the Company.

Place: Pune
Date: 12 May, 2017



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

S S Agrawal
Partner
Membership No. 049051

Annexure II to Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 – referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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 Infrastructure Services Limited** ("the Company") as of 31st March 2017, in conjunction with our audit of the Ind AS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ("the Act").

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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



Annexure II to Independent auditor's report to the members of Inox Wind Infrastructure Services Limited on the Ind AS financial statements for the year ended 31st March 2017 (continued)

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, 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 ICAI.

Place: Pune
Date: 12 May, 2017



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

S S Agrawal
Partner
Membership No. 049051

INOX WIND INFRASTRUCTURE SERVICES LIMITED
Balance Sheet as at 31 March 2017

		(Rs. in Lakhs)		
	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	6	26,827.04	16,693.88	606.60
(b) Capital work-in-progress		9,378.53	2,921.06	3,534.28
(c) Intangible assets	7	23.98	31.77	37.80
(d) Financial assets				
(i) Investments				
-In subsidiaries	8	1,285.97	1,755.93	191.01
-Others	8	0.28	0.26	0.24
(ii) Loans	9	1,414.90	1,034.22	1,083.96
(iii) Other non-current financial assets	10	16,896.61	9,666.66	5,180.51
(e) Deferred tax assets (net)	25	-	-	343.33
(f) Income tax assets (net)	11	371.69	1,392.89	413.23
(g) Other non-current assets	12	595.66	522.94	445.96
Total Non - current assets		56,794.66	34,019.61	11,836.92
2 Current assets				
(a) Inventories	13	32,119.84	31,741.07	29,022.37
(b) Financial assets				
(i) Trade receivables	14	39,369.78	23,803.08	11,662.19
(ii) Cash and cash equivalents	15	3,815.45	725.12	71.33
(iii) Bank balances other than (ii) above	16	1,326.64	-	-
(iv) Loans	9	4,945.21	2,262.04	863.58
(v) Other current financial assets	10	788.92	517.98	1,072.04
(c) Other current assets	12	6,065.44	3,263.32	2,733.78
Total Current assets		88,431.28	62,312.61	45,425.29
Total Assets		1,45,225.94	96,332.22	57,262.21



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Balance Sheet as at 31 March 2017

	Notes	As at 31 March 2017	As at 31 March 2016	(Rs. in Lakhs) As at 1 April 2015
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	17	5.00	5.00	5.00
(b) Equity component of compound financial instrument	19	3,290.28	3,290.28	-
(c) Other equity	18	1,867.00	(2,246.62)	(587.54)
Total equity		5,162.28	1,048.66	(582.54)
LIABILITIES				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	52,636.84	41,159.13	94.00
(ii) Other financial liabilities	20	3,078.08	5,154.53	-
(b) Provisions	21	241.98	151.84	53.87
(c) Deferred tax liabilities (net)	25	2,275.04	1,244.57	-
(d) Other non-current liabilities	22	5,670.20	3,152.56	1,504.50
Total Non-current liabilities		63,902.14	50,862.63	1,652.37
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	16,741.00	8,396.92	36,829.66
(ii) Trade payables	24	38,738.73	26,809.11	16,582.65
(iii) Other current financial liabilities	20	17,163.88	5,677.58	2,149.51
(b) Provisions	21	72.47	41.45	30.42
(c) Other current liabilities	22	3,445.44	3,495.87	600.14
Total current liabilities		76,161.52	44,420.93	56,192.38
Total Equity and Liabilities		1,45,225.94	96,332.22	57,262.21

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Patankar & Associates
Chartered Accountants



S S Agrawal
Partner

Place : Pune
Date : 12 May 2017



For and on behalf of the Board of Directors


Manoj Dixit
Director

Place : Noida
Date : 12 May 2017


Vineet Davis
Director

INOX WIND INFRASTRUCTURE SERVICES LIMITED
Statement of Profit and Loss for the year ended 31 March 2017

		(Rs. in Lakhs)	
	Notes	2016-2017	2015-2016
Revenue			
Revenue from operations	26	69,694.43	62,820.95
Other income	27	694.81	963.46
Total Revenue (I)		70,389.24	63,784.41
Expenses			
EPC, O&M and Common infrastructure facility expense	28	48,426.54	52,325.76
Changes in inventories of work-in-progress	29	1,005.78	3,639.86
Employee benefits expense	30	3,816.05	2,788.76
Finance costs	31	3,831.61	4,462.57
Depreciation and amortisation expense	32	927.15	478.98
Other expenses	33	2,842.22	1,422.61
Total Expenses (II)		60,849.35	65,118.54
Profit before tax (I-II=III)		9,539.89	(1,334.13)
Add: Exceptional items (IV)	38	(2,077.39)	(480.61)
Profit before tax (III - IV = V)		7,462.50	(1,814.74)
Tax expense (VI):	46		
Current tax		2,320.05	-
MAT credit entitlement		(2,320.05)	-
Deferred tax		3,349.95	(154.21)
		3,349.95	(154.21)
Profit for the year (V-VI=VII)		4,112.55	(1,660.53)
Other Comprehensive income			
<u>A (i) Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		1.65	2.22
Tax on above		(0.57)	(0.77)
Total Other Comprehensive income (VIII)		1.08	1.45
Total Comprehensive income for the year (VII + VIII)		4,113.63	(1,659.08)
Basic earnings per equity share of Rs. 10 each (in Rs.)	34	8,227.25	(3,318.16)
Diluted earnings per equity share of Rs. 10 each (in Rs.)	34	1.48	(3,318.16)

The accompanying notes are an integral part of the financial statements

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

S S Agrawal
Partner

Place: Pune
Date : 12th May 2017



For and on behalf of the Board of Directors

Manoj Dixit
Director

Place : Noida
Date : 12 May 2017

Vinod Davis
Director

INOX WIND INFRASTRUCTURE SERVICES LIMITED

Statement of cash flows for the year ended as 31 March 2017

	(Rs. in Lakhs)	
	<u>2016-2017</u>	<u>2015-2016</u>
Cash flows from operating activities		
Profit for the year	4,112.55	(1,660.53)
Adjustments for:		
Tax expense	3,349.95	(154.21)
Finance costs	3,831.61	4,462.57
Interest income	(580.02)	(239.58)
Allowance for doubtful trade receivables and expected credit losses	59.36	50.57
Depreciation and amortisation	927.15	478.98
Net gains on derivative portion of compound financial instrument	(76.45)	(280.97)
Impairment in value of investment in subsidiary	1,199.40	191.01
Impairment in value of inter-corporate deposit to subsidiary	877.99	289.60
Loss on sale / disposal of property, plant and equipment	17.48	-
Operating profit/(loss) before working capital changes	13,719.02	3,137.44
Movements in working capital:		
(Increase)/Decrease in Trade receivables	(15,626.06)	(12,191.46)
(Increase)/Decrease in Inventories	(378.77)	(2,718.70)
(Increase)/Decrease in Loans	(893.67)	67.29
(Increase)/Decrease in Other financial assets	(7,706.79)	(3,907.35)
(Increase)/Decrease in Other assets	(2,875.31)	(999.25)
Increase/(Decrease) in Trade payables	11,929.62	10,226.46
Increase/(Decrease) in Other financial liabilities	(43.36)	239.21
Increase/(Decrease) in Other liabilities	2,467.21	4,543.79
Increase/(Decrease) in Provisions	122.81	111.22
Cash generated from/(used in) operations	714.70	(1,491.35)
Income taxes paid	(1,399.44)	(979.65)
Net cash used in operating activities	(684.74)	(2,471.00)
Cash flows from investing activities		
Purchase of property, plant and equipment (including changes in capital work-in-progress, capital creditors and capital advance)	(16,925.05)	(12,965.96)
Investment in subsidiaries	(729.46)	(390.27)
Interest received	730.92	115.03
Inter corporate deposits given	(5,359.20)	(2,471.06)
Inter corporate deposits received back	2,160.14	890.00
Movement in Bank fixed deposits	(1,120.74)	(15.79)
Net cash used in investing activities	(21,243.39)	(14,838.05)



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Statement of cash flows for the year ended as 31 March 2017

	<u>2016-2017</u>	<u>(Rs. in Lakhs)</u> <u>2015-2016</u>
Cash flows from financing activities		
Proceeds from non-current borrowings	19,500.00	50,000.00
Repayment of non-current borrowings	(94.00)	(6.00)
Proceeds from/(repayment of) short term loans (net)	8,344.08	(28,432.74)
Interest paid	(2,731.62)	(3,598.42)
Net cash generated from financing activities	25,018.46	17,962.84
Net increase in cash and cash equivalents	3,090.33	653.79
Cash and cash equivalents at the beginning of the year	725.12	71.33
Cash and cash equivalents at the end of the year	3,815.45	725.12

Notes:

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

As per our report of even date attached

For Patankar & Associates

Chartered Accountants


S S Agrawal
 Partner



Place: Pune

Date : 12 May 2017

For and on behalf of the Board of Director


Manoj Dixit
 Director


Vineet Davis
 Director

Place : Noida

Date : 12 May 2017

INOX WIND INFRASTRUCTURE SERVICES LIMITED
Statement of changes in equity for the year ended 31 March 2017

A. Equity share capital

Particulars	(Rs. in Lakhs)
Balance at 1 April 2015	5.00
Changes in equity share capital during the year	-
Balance at 31 March 2016	5.00
Changes in equity share capital during the year	-
Balance at 31 March 2017	5.00

B. Other equity

Particulars	Reserve and Surplus		
	Debenture Redemption Reserve	Retained earnings	Total
Balance at 1 April 2015	-	(587.54)	(587.54)
Additions during the year:			
(Loss) for the year	-	(1,660.53)	(1,660.53)
Other comprehensive income for the year, net of income tax (*)	-	1.45	1.45
Total comprehensive income for the year	-	(1,659.08)	(1,659.08)
Balance at 31 March 2016	-	(2,246.62)	(2,246.62)
Additions during the year:			
Profit for the year	-	4,112.55	4,112.55
Other comprehensive income for the year, net of income tax (*)	-	1.08	1.08
Total comprehensive income for the year	-	4,113.63	4,113.63
Transfer from retained earnings	1,800.00	(1,800.00)	-
Balance at 31 March 2017	1,800.00	67.00	1,867.00

(*) 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 financial statements


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


S S Agrawal
Partner
Place : Pune
Date : 12 May 2017



For and on behalf of the Board of Directors


Mandi Dixit
Director
Place : Noida
Date : 12 May 2017


Vinod Davis
Director

Inox Wind Infrastructure Services Limited

Notes to the financial statements for the year ended 31 March 2017

1. Company information

Inox Wind Infrastructure services Limited ("the Company") is a public limited company incorporated in India. The Company is engaged in the business of Erection, Procurement and Commissioning ("EPC"), Operations and Maintenance ("O&M"), Common Infrastructure Facilities services and Development of wind farm services for WTGs. The area of operations of the Company is within India. The Company's parent company is Inox Wind Limited and its ultimate holding company is Gujarat Fluorochemicals Limited.

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

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 prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The Company is exempted from preparing consolidated financial statements under section 129(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Amendment Rules 2016.

Upto the year ended 31 March 2016, the Company prepared its financial statements in accordance with the requirements of Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2015. Refer Note 4 for the details of mandatory exceptions and optional exemptions on first-time adoption availed by the Company.

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:



Inox Wind Infrastructure Services Limited

Notes to the financial statements for the year ended 31 March 2017

- 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.

2.3 Basis of Preparation and Presentation

These financial statements FS have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the 'date of transition to Ind AS'.

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

- the asset/liability is expected to be realized/settled in the 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 realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the 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 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 12 May 2017.

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
a. Marut Shakti Energy India Limited	India	100%
b. Sarayu Wind Power (Tallimadugula) Private Limited	India	100%
c. Satviki Energy Private Limited	India	100%
d. Vinirmaa Energy Generation Private Limited	India	100%
e. Sarayu Wind Power (Kondapuram) Private Limited	India	100%
f. RBRK Investments Limited	India	100%

The above investments are carried at cost – refer Note 4.



Notes to the financial statements for the year ended 31 March 2017

3. Basis of Significant Accounting Policies

3.1 Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- assets (or disposal Group) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

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

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

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent



Notes to the financial statements for the year ended 31 March 2017

consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

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

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

3.2 Goodwill

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

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

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

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

3.3 Revenue recognition

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 sales tax, value added tax, service tax and other similar taxes.

3.3.1 Rendering of services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:

Revenue from EPC is recognised on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is



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Notes to the financial statements for the year ended 31 March 2017

recognised over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognised when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

3.3.2 Other income

Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.4 Leasing

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

3.4.1 The Company as lessee

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

3.5 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.



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Recognition and measurement of defined benefit plans:

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

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

The 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 consolidated 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.

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 consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years, items that are never taxable or deductible and tax incentives. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



Notes to the financial statements for the year ended 31 March 2017

3.7.2 Deferred tax

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

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.



Notes to the financial statements for the year ended 31 March 2017

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 estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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.



Notes to the financial statements for the year ended 31 March 2017

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, are recognised in profit or loss when the asset is derecognised.

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Software 6 years

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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 Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

3.11 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.



Notes to the financial statements for the year ended 31 March 2017

Cost of work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable overheads and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and 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.

3.13 Financial instruments

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

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the 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.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.



Notes to the financial statements for the year ended 31 March 2017

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 and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

ii. Financial assets measured at FVTOCI:

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.

All 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.



Notes to the financial statements for the year ended 31 March 2017

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) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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.

In cases where the 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.

e) 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.



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

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

As a practical expedient, the 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 income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

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 entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the entity'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. Compound financial instruments:-

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

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



Notes to the financial statements for the year ended 31 March 2017

subsequently re-measured. The derivative component is recognized at fair value and subsequently carried at fair value through profit or loss.

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

iii. Financial Liabilities:-

a) Initial recognition and measurement :

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

b) Subsequent measurement:

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

The Company has not designated any financial liability as at FVTPL other than derivative instrument. Further the Company does not have any commitments to provide a loan at a below market interest rate.

c) Derecognition of financial liabilities:

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

3.14 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, except where the results would be anti-dilutive.



Notes to the financial statements for the year ended 31 March 2017

3.15 Recent accounting pronouncements

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment is applicable to the Company from April 1, 2017.

The amendment to Ind AS 7 Statement of Cash Flows requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effect on the financial statements is being evaluated by the Company.

4 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening consolidated balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain mandatory exceptions and optional exemptions allowed by Ind AS 101 First-time Adoption of Indian Accounting Standards and availed by the Company as detailed below.

I. Optional exemptions from retrospective application:

a) Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b) Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business Company that occurred before the transition date of 1 April 2015. Consequently,

- the carrying amounts of assets and liabilities acquired pursuant to past business combination and recognised financial statements prepared under Previous GAAP, are considered to be the deemed cost under Ind AS, on the date of acquisition. After the date of acquisition, measurement of such assets and liabilities is in accordance with respective Ind AS. Also, there is no change in classification of such assets and liabilities;
- the Company has not recognised assets and liabilities that neither were recognised in the financial statements prepared under Previous GAAP nor qualify for recognition under Ind AS in the Balance Sheet of the acquiree;
- the Company has excluded from its opening Ind AS Balance Sheet (as at 1st April, 2015), those assets and liabilities which were recognised in accordance with Previous GAAP but do not qualify for recognition as an asset or liability under Ind AS; and



Notes to the financial statements for the year ended 31 March 2017

II. Mandatory exceptions from retrospective application:

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

a) Estimates:

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

b) Classification and measurement of financial assets:

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

c) Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 Financial Instruments retrospectively; however, as permitted by Ind AS 101 First-time Adoption of Indian Accounting Standards, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

d) Derecognition of financial assets and financial liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

5 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.

5.1 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.



Notes to the financial statements for the year ended 31 March 2017

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

The Company has adopted useful lives of PPE 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.

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 35.

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

- The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax claims.
- Recognition of deferred tax assets, availability of future taxable profits against which tax losses carried forward can be used, possibility of utilizing available tax credits – refer Note 25
- Measurement of defined benefit obligations and other long-term employee benefits: key actuarial assumptions – refer Note 36
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – refer Note 21 and Note 40
- Impairment of financial assets – refer Note 35



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

6 : Property, plant and equipment

	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Carrying amount of :			
Freehold Land	675.22	367.22	255.62
Roads	802.31	298.46	141.57
Plant & equipment	25,192.03	15,893.80	113.49
Furniture & fixtures	92.16	65.53	50.95
Vehicles	1.83	1.44	0.99
Office equipments	63.49	67.43	43.98
Total	26,827.04	16,693.88	606.60

Note: Assets mortgaged/pledged as security for borrowings:

Carrying amounts of:	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Freehold Lands	511.26	-	-
Roads	183.05	-	-
Plant & Equipments	15,155.10	-	-
Furniture & Fixtures	74.62	-	-
Vehicles	1.84	-	-
Office Equipments	54.18	-	-
Capital Work-in progress	3,163.18	-	-
Total	19,143.23	-	-



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

6A : Property , plant and equipment

(Rs. in Lakhs)

Particulars	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost or deemed cost:							
Balance as at 1 April 2015	255.62	141.57	113.49	50.95	0.99	43.98	606.60
Additions	111.60	343.10	15,543.91	20.65	0.58	45.70	16,065.54
Borrowing cost capitalised	-	-	493.12	-	-	-	493.12
Balance as at 31 March 2016	367.22	484.67	16,150.52	71.60	1.57	89.68	17,165.26
Additions	308.00	619.26	9,917.71	44.20	0.61	34.05	10,923.83
Borrowing cost capitalised	-	-	146.16	-	-	-	146.16
Disposals	-	-	5.07	9.34	-	5.08	19.49
Balance as at 31 March 2017	675.22	1,103.93	26,209.32	106.46	2.18	118.65	28,215.76
Accumulated Depreciation:							
Balance as at 1 April 2015	-	-	-	-	-	-	-
Depreciation expense for the year	-	186.21	256.72	6.07	0.13	22.25	471.38
Balance as at 31 March 2016	-	186.21	256.72	6.07	0.13	22.25	471.38
Eliminated on disposal of asset	-	-	(0.32)	(0.85)	-	(0.85)	(2.02)
Depreciation expense for the year	-	115.41	760.89	9.08	0.22	33.76	919.36
Balance as at 31 March 2017	-	301.62	1,017.29	14.30	0.35	55.16	1,388.72

Net carrying amount	Land - Freehold	Roads	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 1 April 2015	255.62	141.57	113.49	50.95	0.99	43.98	606.60
As at 31 March 2016	367.22	298.46	15,893.80	65.53	1.44	67.43	16,693.88
As at 31 March 2017	675.22	802.31	25,192.03	92.16	1.83	63.49	26,827.04



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

7 : Intangible assets

	<u>As at</u> <u>31 March 2017</u>	<u>As at</u> <u>31 March 2016</u>	<u>(Rs. in Lakhs)</u> <u>As at</u> <u>1 April 2015</u>
<i>Carrying amounts of:</i>			
Software	23.98	31.77	37.80

Details of Intangible Assets

Particulars	Software	Total
Cost or Deemed Cost		
Balance as at 1 April 2015	37.80	37.80
Additions	1.57	1.57
Balance as at 31 March 2016	39.37	39.37
Additions	-	-
Balance as at 31 March 2017	39.37	39.37
Accumulated amortisation		
Balance as at 1 April, 2015	-	-
Amortisation expense for the year	7.60	7.60
Balance as at 31 March, 2016	7.60	7.60
Amortisation expense for the year	7.79	7.79
Balance as at 31 March, 2017	15.39	15.39

Net carrying amount	Software	Total
As at 1 April 2015	37.80	37.80
As at 31 March 2016	31.77	31.77
As at 31 March 2017	23.98	23.98



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
8 : Investments			
8a. Investment in subsidiaries (at cost)			
<u>Non-current</u>			
-Investments in equity instruments			
In subsidiary companies (trade investment)			
611070 equity shares of Rs. 10 each of Marut Shakti Energy India Limited, fully paid-up	191.01	191.01	191.01
10000 equity shares of Rs. 10 each of Sarayu Wind Power (Tallimadugula) Private Limited, fully paid-up	283.19	283.19	-
835000 equity shares of Rs. 10 each of Satviki Energy Private Limited fully paid-up	77.00	77.00	-
50000 equity shares of Rs. 10 each of Vinirrrmaa Energy Generation Private Limited, fully paid-up	916.21	455.07	-
10000 equity shares of Rs. 10 each of Sarayu Wind Power (Kondapuram) Private Limited, fully paid-up	940.67	940.67	-
70000 (previous year Nil) equity shares of Rs. 10 each of RBRK Investments Limited	268.30	-	-
	<u>2,676.38</u>	<u>1,946.94</u>	<u>191.01</u>
Less: Provision for dimunition in value of investment	<u>(1,390.41)</u>	<u>(191.01)</u>	<u>-</u>
	<u>1,285.97</u>	<u>1,755.93</u>	<u>191.01</u>
8b. Other investment			
-Investment in Government securities (unquoted, fully paid up) at amortised cost			
National Saving Certificates	0.28	0.26	0.24
Total Non-current investments (a)	<u>1,286.25</u>	<u>1,756.19</u>	<u>191.25</u>
Aggregate carrying value of unquoted investments	1,286.25	1,756.19	191.25
Aggregate amount of dimunition in value of investments	1,390.41	191.01	-
Category-wise other investments – as per Ind AS 109 classification			
at cost	1,285.97	1,755.93	191.01
at amortised cost	0.28	0.26	0.24
	<u>1,286.25</u>	<u>1,756.19</u>	<u>191.25</u>

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
9 : Loans (Unsecured, considered good, unless otherwise stated)			
<u>Non-current</u>			
Security deposits	1,414.90	1,034.22	1,083.96
Total Non-current loans	1,414.90	1,034.22	1,083.96
<u>Current</u>			
Loans to related parties (Refer Note 37)			
-Inter-corporate deposits to related parties			
Considered good	4,467.54	2,146.46	855.00
Considered doubtful	1,167.58	289.60	-
-Other dues	477.67	115.58	8.58
	6,112.79	2,551.64	863.58
Less: Provision for doubtful inter-corporate deposit	(1,167.58)	(289.60)	-
Total loans to related parties	4,945.21	2,262.04	863.58
The above financial assets are carried at amortised cost			
10 : Other financial assets			
<u>Non-current</u>			
Non-current bank balances (from Note 16)	125.15	331.05	306.31
Unbilled revenue	16,689.71	9,253.86	4,874.20
Others	81.75	81.75	-
Total	16,896.61	9,666.66	5,180.51
<u>Current</u>			
Other interest accrued	-	11.16	-
Unbilled revenue	622.00	269.93	995.44
Insurance claims	166.92	236.89	76.60
Total	788.92	517.98	1,072.04



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
11: Income tax assets (net)			
<u>Non-current</u>			
Income tax paid (net of provisions)	371.69	1,392.89	413.23
Total	371.69	1,392.89	413.23
12 : Other assets			
<u>Non-current</u>			
Capital advances	34.51	34.98	427.71
Balances with government authorities - Balances in service tax & VAT accounts	561.15	487.96	18.25
Total	595.66	522.94	445.96
<u>Current</u>			
Advance to suppliers	5,547.17	2,631.00	1,764.46
Balances with government authorities - Balances in service tax & VAT accounts	332.25	183.27	228.65
Prepayments - others	186.02	449.05	740.67
Total	6,065.44	3,263.32	2,733.78
13: Inventories (at lower of cost and net realisable value)			
Construction materials	11,525.08	10,140.53	3,781.97
Project development, erection & commissioning work-in-progress	20,212.36	21,218.14	23,654.39
Common infrastructure facilities work-in-progress	382.40	382.40	1,586.01
Total	32,119.84	31,741.07	29,022.37
14 : Trade receivables (Unsecured)			
<u>Current</u>			
Considered good	39,507.11	23,881.05	11,689.59
Less: Allowance for expected credit losses	137.33	77.97	27.40
Total	39,369.78	23,803.08	11,662.19



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
15: Cash and cash equivalents			
Balances with banks			
in Current accounts	738.26	707.12	71.09
in Cash credit accounts	1.32	-	-
Cheques in hand and money in transit	3,071.64	-	-
Cash on hand	4.23	18.00	0.24
Total	3,815.45	725.12	71.33
16: Other bank balances			
Bank deposits with original maturity period of more than 3 months but less than 12 months*	1,064.89	-	-
Deposit accounts with original maturity for more than 12 months*	386.90	331.05	306.31
	1,451.79	331.05	306.31
Less: Amount disclosed under Note 9 - 'Other financial assets-Non current'	125.15	331.05	306.31
Total	1,326.64	-	-
Notes:			
*Other bank balances include margin money deposits kept as security against bank guarantee as under:			
a) Deposit account with original maturity for more than 3 months but less than 12 months	1,064.89	-	-
b) Deposit account with original maturity for more than 12 months	386.90	331.05	306.31



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

17: Equity share capital	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised capital			
50,000 equity shares of Rs. 10 each	5.00	5.00	5.00
Issued, subscribed and paid up			
50,000 equity shares of Rs. 10 each fully paid up	5.00	5.00	5.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
Equity share capital						
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00	50,000	5.00
Shares outstanding at the end of the year	50,000	5.00	50,000	5.00	50,000	5.00

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

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

(c) Shares held by holding company

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of shares	Amount (Rs. In lakhs)	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
Inox Wind Limited(*)	50,000	5.00	50,000	5.00	50,000	5.00

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

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Inox Wind Limited(*)	50,000	100%	50,000	100%	50,000	100%

(*) Including shares held through nominee shareholders.

(e) For the terms of debentures convertible into equity shares and the earliest date of conversion, Refer Note 19A


INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

18: Other equity

	As at 31 March 2017	As at 31 March 2016	(Rs. in Lakhs) As at 1 April 2015
Debenture redemption reserve	1,800.00	-	-
Retained earnings	67.00	(2,246.62)	(587.54)
Total	1,867.00	(2,246.62)	(587.54)

	As at 31 March 2017	(Rs. in Lakhs) As at 31 March 2016
Balance at beginning of the year	-	-
Transfer from retained earnings	1,800.00	-
Balance at the end of the year	1,800.00	-

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

	As at 31 March 2017	(Rs. in Lakhs) As at 31 March 2016
Balance at beginning of year	(2,246.62)	(587.54)
Profit/(loss) for the year	4,112.55	(1,660.53)
Other comprehensive income for the year, net of income tax	1.08	1.45
Transfer to Debenture redemption reserve	(1,800.00)	-
Balance at the end of the year	67.00	(2,246.62)

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
19: Non current borrowings (at amortised cost)			
Secured loans			
a) Debentures			
Redeemable non convertible debentures	19,500.00	-	-
b) Rupee term loans			
From Banks	-	94.00	100.00
Unsecured loans			
a) Debentures			
Optionally convertible debentures - Liability portion of compound financial instrument	42,886.84	41,071.13	-
Total	62,386.84	41,165.13	100.00
Less: Current maturities (Disclosed under Note No. 20: Other current financial liabilities)	(9,750.00)	(6.00)	(6.00)
Total	52,636.84	41,159.13	94.00

Note: for terms of repayment and securities etc. Refer Note 19A

20: Other financial liabilities (measured at amortised cost)

Non-current

Derivative financial liabilities (fair value through profit or loss)	3,078.08	5,154.53	-
Total	3,078.08	5,154.53	-

Current

Current maturities of non-current borrowings (Refer Note 19)	9,750.00	6.00	6.00
Interest accrued and due on borrowings	1,572.55	388.83	981.18
Creditors for capital expenditure	4,215.08	3,613.14	1,024.91
Consideration payable for business combinations	1,223.00	1,365.65	-
Other payables	403.25	303.96	137.42
Total	17,163.88	5,677.58	2,149.51

21: Provisions

Non-current

Provision for employee benefits (Refer Note 36)

Gratuity	137.87	71.17	34.92
Compensated absences	104.11	80.67	18.95
Total	241.98	151.84	53.87

Current

Provision for employee benefits (Refer Note 36)

Gratuity	3.18	0.69	0.11
Compensated absences	69.29	40.76	30.31
Total	72.47	41.45	30.42



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

19A: Terms of repayment and securities etc.

Debentures (secured):-

1950 non convertible redeemable debentures of Rs. 10 Lakhs each fully paid up, are issued at par, and carry interest @ 8.33% p.a. payable semi annually. The maturity pattern of the debentures is as under:

Month	(Rs. in Lakhs)
	Principal
Aug-17	4,875.00
Feb-18	4,875.00
Aug-18	4,875.00
Feb-19	4,875.00
	19,500.00

The above debentures are secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of the Company.

Rupee term loan from banks:-

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Rupee term loan is secured by first pari-passu charge on the current assets, receivables, moveable fixed assets of Company and carries interest @ 12.75% p.a. The loan is repayable in five years starting from December 2015, with annual repayment of 12%, 20%, 32% and 36% respectively for each year, with quarterly rests.		94.00	100.00

Debentures (unsecured) :-

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

Debenture Series	Date of allotment	Maturity Period	Number of Debentures	Amount (Rs. In Lakh)
Series E	17th Nov.2015	7 years	10,00,000	10,000.00
Series D	5th Nov.2015	6 years	10,00,000	10,000.00
Series C	3rd Nov.2015	5 years	10,00,000	10,000.00
Series B	29th Oct.2015	4 years	10,00,000	10,000.00
Series A	27th Oct.2015	3 years	10,00,000	10,000.00
Total			50,00,000	50,000.00

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

Particulars	(Rs. in Lakhs)	
	As at 31 March 2017	As at 31 March 2016
Face value of debentures issued	50,000.00	50,000.00
Less: Equity component of optionally convertible debentures	5,031.62	5,031.62
	44,968.38	44,968.38
Less: Derivative portion	3,078.08	5,154.53
	41,890.30	39,813.85
Add: Effect of unwinding cost, gain/loss on derivative portion and interest paid	996.54	1,257.28
	42,886.84	41,071.13
Equity component of optionally convertible debentures	5,031.62	5,031.62
Less: Deferred tax on above	1,741.34	1,741.34
Net amount as per balance sheet	3,290.28	3,290.28



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
22: Other Liabilities			
<u>Non-current</u>			
Income received in advance	5,670.20	3,152.56	1,504.50
Total	5,670.20	3,152.56	1,504.50
<u>Current</u>			
Advances received from customers	98.45	474.65	169.08
Income received in advance	1,107.15	517.14	-
Statutory dues and taxes payable	2,239.84	2,504.08	431.06
Total	3,445.44	3,495.87	600.14
23: Current borrowings			
Unsecured borrowings			
From banks			
- Working capital demand loans*	1,500.00	-	-
From related parties			
-Inter-corporate deposits from holding company(**)	15,241.00	8,396.92	36,829.66
Total	16,741.00	8,396.92	36,829.66
<u>Terms of repayment</u>			
* Working capital demand loans from bank is unsecured, taken for 181 days and carries interest @ 8.50% p.a.			
**Inter-corporate deposit from holding company is unsecured, repayable on demand and carries interest @ 12.00% p.a.			
24: Trade payables			
- Dues to micro and small enterprises	110.59	61.11	-
- Dues to others	38,628.14	26,748.00	16,582.65
Total	38,738.73	26,809.11	16,582.65

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

Particulars	2016-17	2015-16
Principal amount due to suppliers under MSMED Act at the year end	110.59	61.11
Interest accrued and due to suppliers under MSMED Act above amount, unpaid at the year end	9.30	9.81
Payment made to suppliers(other than interest) beyond the appointed date during the year end	403.65	126.71
Interest paid to supplier under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	34.86	3.64
Interest accrued and not paid to suppliers under MSMED Act up to the year end	57.61	13.45

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 INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

25. Deferred tax balances

Year ended 31 March 2017

Deferred tax (liabilities)/assets in relation to:

(Rs. in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Adjusted against current tax liability	Closing balance
Property, plant and equipment	222.16	(725.29)	-	-	-	(503.13)
Straight lining of O & M revenue	(3,148.85)	(2,829.31)	-	-	-	(5,978.16)
Allowance for expected credit losses	25.78	21.75	-	-	-	47.53
Defined benefit obligations	63.91	45.48	(0.57)	-	-	108.82
Business loss	3,188.38	220.86	-	-	-	3,409.24
Equity component of Compound financial instrument	(1,741.34)	-	-	-	-	(1,741.34)
Other deferred tax liabilities	145.39	(83.44)	-	-	-	61.95
	(1,244.57)	(3,349.95)	(0.57)	-	-	(4,595.09)
MAT credit entitlement	-	-	-	-	2,320.05	2,320.05
Total	(1,244.57)	(3,349.95)	(0.57)	-	2,320.05	(2,275.04)

Year ended 31 March 2016

Deferred tax (liabilities)/assets in relation to:

(Rs. in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Adjusted against current tax liability	Closing balance
Property, plant and equipment	57.77	164.39	-	-	-	222.16
Straight lining of O & M revenue	(1,904.40)	(1,244.45)	-	-	-	(3,148.85)
Allowance for expected credit losses	8.89	16.89	-	-	-	25.78
Defined benefit obligations	27.35	37.33	(0.77)	-	-	63.91
Business loss	2,153.72	1,034.66	-	-	-	3,188.38
Equity component of Compound financial instrument	-	-	-	(1,741.34)	-	(1,741.34)
Other deferred tax liabilities	-	145.39	-	-	-	145.39
Total	343.33	154.21	(0.77)	(1,741.34)	-	(1,244.57)



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

	(Rs. in Lakhs)	
	2016-2017	2015-2016
26: Revenue from Operations		
Sale of services	69,638.72	62,802.38
Other operating revenue	55.71	18.57
	69,694.43	62,820.95
27: Other Income		
a) Interest income		
Interest income calculated using the effective interest method:		
On fixed deposits with banks	49.26	27.11
On Inter-corporate deposits	530.74	177.42
On long term investment	0.02	0.02
Other interest income		
Interest on Income Tax Refund	-	35.03
	580.02	239.58
b) Other gains and (losses)		
Net gains on derivative portion of compound financial instrument	76.45	280.97
c) Other non operating income		
Insurance claims	38.34	442.91
Total	694.81	963.46



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

	(Rs. in Lakhs)	
	2016-2017	2015-2016
28: EPC, O&M and Common infrastructure facility expenses		
Construction material consumed	15,239.20	19,307.48
Equipments & machinery hire charges	9,655.58	10,776.78
Subcontractor cost	15,055.21	12,535.64
Cost of lands	1,253.19	2,341.43
O&M repairs	1,431.52	990.76
Legal & professional fees & expenses	912.03	898.88
Stores and spares consumed	224.51	754.14
Rates & taxes and regulatory fees	237.31	303.58
Rent	307.02	228.53
Labour charges	55.66	56.88
Insurance	717.08	437.24
Security charges	1,286.27	1,137.26
Travelling & conveyance	1,806.49	1,608.37
Miscellaneous expenses	245.47	948.79
Total	48,426.54	52,325.76
29: Changes in inventories of work in progress		
Work-in-progress at the beginning of the year		
Project Development, erection & commissioning work	21,218.14	23,654.39
Common infrastructure facilities	382.40	1,586.01
	21,600.54	25,240.40
Work-in-progress at the end of the year		
Project Development, erection & commissioning work	20,212.36	21,218.14
Common infrastructure facilities	382.40	382.40
	20,594.76	21,600.54
(Increase)/Decrease in work-in-progress	1,005.78	3,639.86
30: Employee benefits expense		
Salaries and wages	3,185.73	2,332.18
Contribution to provident and other funds	112.47	83.30
Gratuity	71.23	39.04
Staff welfare expenses	446.62	334.24
	3,816.05	2,788.76



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

	(Rs. in Lakhs)	
	2016-2017	2015-2016
31: Finance costs		
a) Interest on financial liabilities carried at amortised cost		
Interest on borrowings	1,954.84	3,434.53
Unwinding cost of compound financial instrument	1,815.70	1,587.63
	<u>3,770.54</u>	<u>5,022.16</u>
b) Other interest cost		
Interest on income tax	100.57	7.36
c) Other borrowing costs	163.44	13.45
	<u>4,034.55</u>	<u>5,042.97</u>
Less: Interest capitalized	202.94	580.40
Total	<u>3,831.61</u>	<u>4,462.57</u>
The capitalisation rate of funds borrowed is 12% p.a. (previous year 12% p.a.)		
32: Depreciation and amortisation expense		
Depreciation of property, plant and equipment	919.36	471.38
Amortisation of intangible assets	7.79	7.60
Total	<u>927.15</u>	<u>478.98</u>
33: Other Expenses		
Rent	14.42	7.79
Legal and professional fees and expenses	20.02	311.42
Directors' sitting fees	7.20	5.00
Allowance for doubtful debts and expected credit losses	59.36	50.57
Sales commission	520.82	375.54
Liquidated damages (net of recovery of Rs. 1500.00 Lakhs (previous year Nil))	1,805.34	-
Loss on sale / disposal of property, plant and equipment	17.48	-
Miscellaneous expenses	397.58	672.29
Total	<u>2,842.22</u>	<u>1,422.61</u>



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

34. Earnings per share

Particulars	2016-2017	2015-2016
<u>Basic earning per share</u>		
Profit/(loss) for the year (Rs. in Lakhs)	4,113.63	(1,659.08)
Equity shares outstanding at the beginning and at the end of the year- (Nos.)	50,000	50,000
Basic earnings per share (Rs.)	8,227.25	(3,318.16)
<u>Diluted earning per share</u>		
Profit/(loss) for the year (Rs. in Lakhs)	4,113.63	(1,659.08)
Add: Expenses on debentures	1,739.25	1,257.28
Adjusted Profit/(loss) for diluted EPS	5,852.88	(401.80)
Weighted average number of equity shares- (Nos.)	39,58,73,307	NA
Nominal value of each share (in Rs.)	10.00	10.00
Diluted earnings per share (Rs.)	1.48	(3,318.16)

Note: The anti-dilutive effect for the year ended 31 March 2016 is ignored.



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

35. Financial Instruments

(I) Capital management

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

The capital structure of the Company consists of net debt (borrowings as detailed in notes 19 and 23 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's board of directors reviews the capital structure of the Company on an annual basis. As part of this review, the committee of board considers the cost of capital and the risks associated with each class of capital.

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

Particulars	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Non-current borrowings	52,636.84	41,159.13	94.00
Current maturities of long term debt	9,750.00	6.00	6.00
Current borrowings	16,741.00	8,396.92	36,829.66
Interest accrued but not due on borrowings			
Interest accrued and due on borrowings	1,572.55	388.83	981.18
Total debt	80,700.39	49,950.88	37,910.84
Less: Cash and bank balances	3,815.45	725.12	71.33
Net debt	76,884.94	49,225.76	37,839.51
Equity	5,162.28	1,048.66	(582.54)
Net debt to equity ratio	1489.36%	4694.17%	(6495.61%)

(ii) Categories of financial instruments

	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
(a) Financial assets			
Measured at amortised cost			
(a) Cash and bank balances	5,142.09	725.12	71.33
(b) Trade receivables	39,369.78	23,803.08	11,662.19
(c) Non-current loans	1,414.90	1,034.22	1,083.96
(d) Current loans	4,945.21	2,262.04	863.58
(e) Other non-current financial assets	16,896.61	9,666.66	5,180.51
(f) Other current financial assets	788.92	517.98	1,072.04
(g) Non-current investments	1,286.25	1,756.19	191.25
(b) Financial liabilities			
Measured at fair value through profit or loss (FVTPL)			
Other non current derivative financial liabilities	3,078.08	5,154.53	-
Measured at amortised cost			
(a) Non-current Borrowings	52,636.84	41,159.13	94.00
(b) Current Borrowings	16,741.00	8,396.92	36,829.66
(c) Trade payables	38,738.73	26,809.11	16,582.65
(d) Other financial liabilities	17,163.88	5,677.58	2,149.51

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

(iii) Financial risk management objectives

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

(iv) Market Risk

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

(v) Interest rate risk management

The Company is exposed to interest risk mainly on account of borrowing. All term loan and debentures are having fixed rate of interest. Cash credit borrowings are subject to variable rate of interest. Since, the Company has insignificant variable interest bearing borrowings, the exposure to the risk of changes in market interest rate is minimal.

(vi) Other price risks

The Company is exposed to equity price risks arising from equity investments. Equity investments in subsidiaries are held for strategic rather than trading purposes. The Company does not actively trade these investments. 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, 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 is providing O&M services and is having long term contracts with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March, 2017 is Rs. 17,624.87 lakhs (as at 31 March, 2016 of Rs. 14,690.68 lakhs and as at 1 April, 2015 of Rs. 9,706.03 lakhs) are due from 7 major customers who are reputed parties. All trade receivables are reviewed and assessed for default on a quarterly basis.

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

Ageing	Expected credit losses (%)
0-180 days	NIL
181-365 days	0.50%
Above 365 days	1.50%

Age of receivables	(Rs. in Lakhs)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
0-180 days	26,933.46	18,316.48	9,852.32
181-365 days	4,550.32	538.69	15.68
Above 365 days	8,023.33	5,025.88	1,821.59

Movement in the expected credit loss allowance :

Particulars	(Rs. in Lakhs)	
	As at 31 March 2017	As at 31 March 2016
Balance at beginning of the year	77.97	27.40
Movement in expected credit loss allowance	59.36	50.57
Balance at end of the year	137.33	77.97



INOX WIND INFRASTRUCTURE SERVICES LIMITED**Notes to the financial statements for the year ended 31 March 2017****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 income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

c) other financial assets

Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties

(viii) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company and its holding 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 risk tables

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

a) Non-Derivative Financial Liabilities :**(Rs. in Lakhs)**

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
As at 31 March 2017				
Borrowings	69,377.84	9,750.00	-	79,127.84
Trade payables	38,738.73	-	-	38,738.73
Other financial liabilities	7,413.88	-	-	7,413.88
Derivative financial liabilities	-	3,078.08	-	3,078.08
	1,15,530.45	12,828.08	-	1,28,358.53
As at 31 March 2016				
Borrowings	49,556.05	6.00	-	49,562.05
Trade payables	26,809.11	-	-	26,809.11
Other financial liabilities	5,671.58	-	-	5,671.58
Derivative financial liabilities	-	5,154.53	-	5,154.53
	82,036.74	5,160.53	-	87,197.27
As at 1 April 2015				
Borrowings	36,923.66	6.00	-	36,929.66
Trade payables	16,582.65	-	-	16,582.65
Other financial liabilities	2,143.51	-	-	2,143.51
	55,649.82	6.00	-	55,655.82



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

(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 Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2017	31 March 2016	1 April 2015				
(a) Optionally convertible debentures (Refer Note 20)	(3,078.08)	(5,154.53)	-	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	NA	NA

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 INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

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 Rs 112.10 Lakhs (previous year Rs 82.45 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 2017 by Mr.G. N. Agarwal, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

(Rs. in Lakhs)

Movement in the present value of the defined benefit obligation are as follows :	Gratuity	
	31 March 2017	31 March 2016
Opening defined benefit obligation	71.86	35.04
Interest cost	5.38	2.72
Current service cost	65.65	36.32
Benefits paid	(0.19)	-
Actuarial (gain) / loss on obligations	(1.65)	(2.22)
Present value of obligation as at the year end	141.05	71.86

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

Gratuity	31 March 2017	31 March 2016
Current service cost	65.23	35.90
Past service cost (gain)/loss from settlements	0.42	0.42
Interest cost	5.38	2.72
Amount recognised in profit or loss	71.04	39.04
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	13.68	2.99
b) arising from experience adjustments	(15.33)	(5.21)
Amount recognised in other comprehensive income	(1.65)	(2.22)
Total	69.39	36.82

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

Particulars	31 March 2017	31 March 2016	1 April 2015
Discount rate (per annum)	6.69%	7.46%	7.77%
Expected rate of salary increase	8.00%	8.00%	8.00%
Employee attrition rate	5.00%	5.00%	5.00%
Mortality	IALM(2006-08)Ultimate Mortality Table		

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

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

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



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Sensitivity Analysis

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

Particulars	Gratuity	
	2016-17	2015-16
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(17.39)	(8.63)
If discount rate is decreased by 1%	21.11	11.37
If salary escalation rate is increased by 1%	20.17	10.96
If salary escalation rate is decreased by 1%	(16.97)	(8.47)

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	(Rs. in Lakhs)	
	2016-17	2015-16
Expected outflow in future years (as provided in actuarial report)		
	Gratuity	
Expected outflow in 1st Year	3.18	0.69
Expected outflow in 2nd Year	3.85	0.65
Expected outflow in 3rd Year	2.96	0.67
Expected outflow in 4th Year	2.67	0.70
Expected outflow in 5th Year	3.71	1.12
Expected outflow in 6th to 10th Year	20.16	4.69

The average duration of the defined benefit plan obligation at the end of the reporting period is 14.04 years.

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

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2017 based on actuarial valuation carried out by using Projected accrued benefit method resulted in increase in liability by Rs.51.96 lakhs (31 March 2016: Rs 72.18 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 2017	31 March 2016	1 April 2015
Discount rate	6.69%	7.46%	7.77%
Expected rate of salary increase	8.00%	8.00%	8.00%
Employee attrition rate	5.00%	5.00%	5.00%
Mortality rate	IALM(2006-08)Ultimate Mortality Table		



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

37. Related Party Disclosures:

(i) Where control exists :

Inox Wind Limited (IWL) - holding company
Gujarat Fluorochemicals Limited (GFL) - holding company
Inox Leasing & Finance Limited - ultimate holding company

Subsidiaries

Marut Shakti Energy India Limited
Satviki Energy Private Limited (w.e.f on 11 November 2015)
Sarayu Wind Power (Tallimadugula) Private Limited (w.e.f on 9 December 2015)
Vinirrrmaa Energy Generation Private Limited (w.e.f on 23 January 2016)
Sarayu Wind Power (Kondapuram) Private Limited (w.e.f on 25 March 2016)
RBRK Investments Limited (w.e.f on 30 August 2016)

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

Key Management Personnel (KMP)

Mr. Vineet Davis – whole-time director
Mr. Manoj Dixit – whole-time director
Mr.V.K Soni- Non executive director-upto 17 May 2015
Mr.Mukesh Manglik - Non executive director
Mr. Shanti Prasad Jain - Non executive director
Mr. V.Sankaranarayanan - Non executive director

Fellow Subsidiaries

Inox Renewables Limited (IRL)-subsidiary of GFL
Inox Renewables (Jaisalmer) limited-subsubsidiary of IRL



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

(Rs. In Lakhs)

Particulars	Holding/Subsidiary companies		Key Management Personnel		Fellow Subsidiaries		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
A) Transactions during the year								
Sale of goods and services								
Inox Wind Limited	14,695.90	6,639.52					14,695.90	6,639.52
Gujarat Fluorochemicals Limited	422.85	403.68					422.85	403.68
Marut Shakti Energy India Limited	615.86	187.06					615.86	187.06
Inox Renewables Limited					585.07	5,131.79	585.07	5,131.79
Inox Renewables (Jaisalmer) Limited					504.00	497.48	504.00	497.48
Total	15,734.61	7,230.26			1,089.07	5,629.27	16,823.68	12,859.53
Purchase of goods and services								
Inox Wind Limited		169.51						169.51
Gujarat Fluorochemicals Limited		4.44						4.44
Inox Renewables Limited					255.58		255.58	
Marut Shakti Energy India Limited		360.47						360.47
RBK Investments Limited	1,008.48						1,008.48	
Total	1,008.48	534.42			255.58		1,264.06	534.42
Acquisition of development rights								
Inox Renewables Limited					1,544.45		1,544.45	
Inter-corporate deposits taken								
Inox Wind Limited	108,695.82	44,510.75					108,695.82	44,510.75
Inter-corporate deposits refunded								
Inox Wind Limited	101,851.74	72,943.49					101,851.74	72,943.49
Debentures issued								
Inox Wind Limited		50,000.00						50,000.00
Inter-corporate deposits given								
Marut Shakti Energy India Limited	3,494.79	1,994.83					3,494.79	1,994.83
Satviki Energy Private Limited	2.99	0.60					2.99	0.60
Sarayu Wind Power (Tallimadugula) Private Limited	191.19	274.76					191.19	274.76
Vinirirraa Energy Generation Private Limited	622.37	93.00					622.37	93.00
Sarayu Wind Power (Kondapuram) Private Limited	1.33	107.87					1.33	107.87
RBK Investments Limited	1,046.52						1,046.52	
Total	5,359.19	2,471.06					5,359.19	2,471.06



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. In Lakhs)							
	Holding/Subsidiary		Key Management		Fellow Subsidiaries		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
A) Transactions during the year								
Inter-corporate deposits received back								
Marut Shakti Energy India Limited	1,890.49	890.00					1,890.49	890.00
Vinirmaa Energy Generation Private Limited	269.65	-					269.65	-
Total	2,160.14	890.00					2,160.14	890.00
Equity shares subscribed								
Satviki Energy Private Limited	-	10.50					-	10.50
Interest paid								
Inox Wind Limited	1,516.64	3,435.75					1,516.64	3,435.75
-On inter-corporate deposit	2,000.00	817.53					2,000.00	817.53
-On debentures	3,516.64	4,253.28					3,516.64	4,253.28
Total								
Interest received								
Marut Shakti Energy India Limited	385.92	166.28					385.92	166.28
Sarayu Wind Power (Tallimadugula) Private Limited	45.59	9.06					45.59	9.06
Sarayu Wind Power (Kondapuram) Private Limited	13.02	0.14					13.02	0.14
Satviki Energy Private Limited	0.15	*					0.15	*
Vinirmaa Energy Generation Private Limited	50.60	1.93					50.60	1.93
RBRK Investments Limited	35.46	-					35.46	-
Total	530.74	177.41					530.74	177.41
Reimbursement of expenses received/payments made on behalf of the company								
Inox Wind Limited	5.36	95.11					5.36	95.11
Inox Renewables Limited	-	-	140.94	-	477.36	140.94	140.94	477.36
Total	5.36	95.11					146.30	572.47
Reimbursement of expenses paid/payments made on behalf of the company								
Inox Wind Limited	135.73	3,170.85					135.73	3,170.85
Inox Renewables Limited	-	-	49.32	-	173.41	49.32	49.32	173.41
Inox Renewables (Jaisalmer) Limited	-	-	-	-	18.57	-	-	18.57
Marut Shakti Energy India Limited	-	67.72					-	67.72
Total	135.73	3,238.57					185.05	3,430.55



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. In Lakhs)							
	Holding/Subsidiary		Key Management		Fellow Subsidiaries		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
A) Transactions during the year								
Managerial Remuneration/sitting fees								
Mr. Vineet Davis			40.79	36.27			40.79	36.27
Mr. Manoj Dixit			24.71	21.78			24.71	21.78
Others			7.20	5.00			7.20	5.00
Total			72.70	63.05			72.70	63.05
Provision for diminution in value of investments								
Marut Shakti Energy India Limited		191.01						191.01
Vinirrrmaa Energy Generation Private Limited	916.21				916.21		916.21	
Sarayu Wind Power (Tallimadugula) Private Limited	283.19				283.19		283.19	
Total	1,199.40	191.01			1,199.40		1,199.40	191.01
Provision for diminution in value of investments								
Marut Shakti Energy India Limited	762.00	289.60			762.00		762.00	289.60
Vinirrrmaa Energy Generation Private Limited	54.58				54.58		54.58	
Sarayu Wind Power (Tallimadugula) Private Limited	61.41				61.41		61.41	
Total	877.99	289.60			877.99		877.99	289.60

(Rs. In Lakhs)

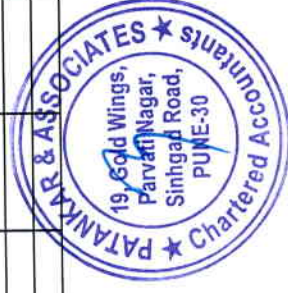
Particulars	(Rs. In Lakhs)											
	Holding/subsidiary companies			Key Management Personnel			Fellow subsidiaries			Total		
	2016-2017	2015-2016	2014-2015	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
B) Balance as at the end of the year												
a) Amounts payable												
Trade and other payable												
Inox Wind Limited			926.48									926.48
Inox Renewables Limited						430.06	175.12					430.06
RBRK Investments Limited	1,051.40						1,051.40					
Marut Shakti Energy India Limited	1,493.53		26.68				1,493.53					26.68
Total	2,544.93		953.16			430.06	2,720.05					1,383.22
Inter-corporate deposit payable												
Inox Wind Limited	15,241.00	8,396.92	36,829.66				15,241.00	8,396.92				36,829.66
Debtentures												
Inox Wind Limited	50,000.00	50,000.00					50,000.00	50,000.00				
Interest payable on inter-corporate deposit												
Inox Wind Limited	1,365.81	388.84	981.18				1,365.81	388.84				981.18



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

Particulars	(Rs. in Lakhs)											
	Holding/subsidiary companies			Key Management Personnel			Fellow subsidiaries			Total		
	2016-2017	2015-2016	2014-2015	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
B) Balance as at the end of the year												
Interest payable on debentures												
Inox Wind Limited	735.78	735.78	-							735.78		-
Managerial remuneration payable												
Mr. Vineet Davis				3.40	3.40	2.58				3.40	3.40	2.58
Mr. Manoj Dixit				2.11	2.11	1.27				2.11	2.11	1.27
Total				5.51	5.51	3.85				5.51	5.51	3.85
b) Amounts receivable												
Trade receivable												
Inox Renewables Limited	-	1,690.05				602.81					237.39	602.81
Inox Wind Limited	2,508.86	23.33								2,508.86	1,690.05	-
Marut Shakti Energy India Limited	-										23.33	-
Inox Renewables (Jaisalmer) Limited											152.52	-
Gujarat Fluorochemicals Limited			11.51									11.51
Total	2,508.86	1,713.38	11.51			602.81				2,508.86	2,103.29	614.32
Inter-corporate deposit receivable												
Marut Shakti Energy India Limited	3,564.14	1,959.83	855.00							3,564.14	1,959.83	855.00
Sarayu Wind Power (Tallimadugula) Private Limited	465.95	274.76								465.95	274.76	-
Sarayu Wind Power (Kondapuram) Private Limited	109.20	107.87								109.20	107.87	-
Satviki Energy Private Limited	3.59	0.60								3.59	0.60	-
Vinirraa Energy Generation Private Limited	445.72	93.00								445.72	93.00	-
RBK Investments Limited	1,046.52	-								1,046.52	-	-
Total	5,635.12	2,436.06	855.00							5,635.12	2,436.06	855.00
Interest on Inter-corporate deposit receivable												
Marut Shakti Energy India Limited	347.33	105.55								347.33	105.55	-
Sarayu Wind Power (Tallimadugula) Private Limited	41.03	8.16								41.03	8.16	-
Sarayu Wind Power (Kondapuram) Private Limited	11.72	0.13								11.72	0.13	-
Satviki Energy Private Limited	0.14	*								0.14	*	-
Vinirraa Energy Generation Private Limited	45.54	1.74								45.54	1.74	-
RBK Investments Limited	31.91									31.91		-
Total	477.67	115.58								477.67	115.58	
Other dues												
Gujarat Fluorochemicals Limited		8.58										8.58

* Amount is less than Rs. 0.01 Lakh – Rs. 256.



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

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 2017, 31 March 2016 and 1 April 2015 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) 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. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Group as a whole, the amount pertaining to KMP are not included above.

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

Loans to related parties:

Name of the Party	31 March 2017	31 March 2016
Marut Shakti Energy India Limited	3,564.14	1,959.83
Sarayu Wind Power (Tallimadugula) Private Limited	465.95	274.76
Sarayu Wind Power (Kondapuram) Private Limited	109.20	107.87
Satviki Energy Private Limited	3.59	0.60
Vinirrrmaa Energy Generation Private Limited	445.72	93.00
RBRK Investments Limited	1,046.52	-
Total	5,635.12	2,436.06

The above loans are unsecured. The inter-corporate deposits are repayable on demand and carries interest @ 12% p.a. These loans are given for general business purposes.



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

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

Name of the loanee	Year	Amount of loans at the year end	Maximum balance during the year	Investment by the loanee in shares of the company
Marut Shakti Energy India Limited	31 March 2017	3,564.14	4,240.11	Nil
	31 March 2016	1,959.83	2,220.50	Nil
	1 April 2015	855.00	950.00	Nil
Sarayu Wind Power (Tallimadugula) Private Limited	31 March 2017	465.95	465.95	Nil
	31 March 2016	274.76	274.76	Nil
	1 April 2015	Nil	Nil	Nil
Sarayu Wind Power (Kondapuram) Private Limited	31 March 2017	109.20	109.20	Nil
	31 March 2016	107.87	107.87	Nil
	1 April 2015	Nil	Nil	Nil
Satviki Energy Private Limited	31 March 2017	3.59	3.59	Nil
	31 March 2016	0.6	0.6	Nil
	1 April 2015	Nil	Nil	Nil
Vinnirmaa Energy Generation Private Limited	31 March 2017	445.72	715.37	Nil
	31 March 2016	93.00	93.00	Nil
	1 April 2015	Nil	Nil	Nil
RBRK Investments Limited	31 March 2017	1,046.52	1,046.52	Nil
	31 March 2016	Nil	Nil	Nil
	1 April 2015	Nil	Nil	Nil



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

38: Exceptional items	(Rs. in Lakhs)		
	Particulars	2016-17	2015-16
Provision for diminution in value of investment in a subsidiary		1,199.40	191.01
Provision for doubtful inter-corporate deposit to a subsidiary		877.99	289.60
Total		2,077.39	480.61

The management has reviewed the carrying amount of investment in, and inter-corporate deposits given to, subsidiaries. After considering the position of losses of subsidiaries and balance wind farm sites available for sale, provision is made for diminution in the value of investment and for doubtful inter-corporate deposits to the extent of accumulated losses of subsidiaries.

39: Particulars of payment to Auditors

Particulars	(Rs. in Lakhs)	
	2016-17	2015-16
Statutory audit	4.00	3.00
Tax audit and other audits under Income-tax Act	1.50	2.00
Taxation matters	1.15	0.25
Certification fees	0.20	0.20
Total	6.85	5.45

40: Contingent liabilities

(a) Claims against the Company not acknowledged as debts: claims made by contractors - Rs. 3,339.76 lakhs (as at 31 March 2016: Rs. 586.36 lakhs, as at 1 April 2015: Rs. 502.29 lakhs)

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

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

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

41: Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 2,306.25 Lakhs, (31 March 2016: Rs. 416.33 Lakhs, 1 April 2015: Rs. 5,479.21 Lakhs).

42: Operating lease arrangements

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

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

43: Segment Information

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

Revenue from major services	(Rs. in Lakhs)		
	Particulars	31 March 2017	31 March 2016
Erection, procurement & commissioning services		58,466.97	55,428.70
Operation & maintenance services		10,190.75	5,955.76
Common infrastructure facility services		981.00	1,417.92
Other operating revenue		55.71	18.57
Total		69,694.43	62,820.95

Of the above total revenue, one customers contributed more than 10% of the total Company's revenue amounting to Rs. 1434.90 Lakhs (31 March 2016: three customers amounting to Rs. 22,719.47 lakhs).



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

44. Note on prior period

The Company has restated the financial statements for the year 2015-16 to give effect to the following prior period items:

Nature of prior period items	Amount (Rs. in Lakhs)	Line items affected	
		Balance Sheet	Statement of Profit and Loss
Sales commission	218.40	Decrease in prepayment others	Increase in Sales commission
Settlement of claims of suppliers	372.74	Decrease in advance to suppliers	Increase in Miscellaneous expenses
Legal & professional fees	246.93	Increase in trade payables	EPC & project development
	<u>838.07</u>		

The effect of above on the basic & diluted EPS is Rs. 1,676.14 per share of Rs. 10 each.

45. Details of transactions in Specified Bank Notes (SBNs)

(Rs. in Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	0.24	23.77	24.01
(+) Permitted Receipts	-	12.23	12.23
(-) Permitted payments	-	27.50	27.50
(-) Amount deposited in banks	0.24	-	0.24
Closing cash in hand as on 30 December 2016	-	8.49	8.49



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

46. Income tax recognised in Statement of Profit and Loss

Particulars	(Rs. in Lakhs)	
	2016-2017	2015-2016
Current tax		
In respect of the current year	2,320.05	-
Minimum Alternate Tax (MAT) credit	(2,320.05)	-
	<u>-</u>	<u>-</u>
Deferred tax		
In respect of the current year	3,349.95	(154.21)
	<u>3,349.95</u>	<u>(154.21)</u>
Total income tax expense recognised in the current year	<u>3,349.95</u>	<u>(154.21)</u>

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

Particulars	Rs. in Lakhs	
	2016-2017	2015-2016
Profit before tax	7,462.50	(1,814.74)
Income tax expense calculated at 34.608% (2015-2016: 33.063%)	2,582.62	(600.01)
Effect of expenses that are not deductible in determining taxable profit	790.20	452.34
Effect on deferred tax balances due to the change in income tax rate from 33.063% to 34.608% / from 32.445% to 33.063%	(22.87)	(6.54)
Income tax expense recognised in statement of profit and loss	<u>3,349.95</u>	<u>(154.21)</u>

The tax rate used for the years ended 31 March 2017 and 31 March 2016 in reconciliations above is the corporate tax rate of 34.608% & 33.063% respectively payable by corporate entities in India on taxable profits under the Indian tax law.



INOX WIND INFRASTRUCTURE SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2017

47. First-time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the balance sheet as at 31 March 2016 and 1 April 2015:

(in Rs. Lakhs)

Particulars	Notes	As at 31 March 2016			As at 1 April 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Non-current assets							
(a) Property, plant and equipment		16,693.88	-	16,693.88	606.60	-	606.60
(b) Capital work-in-progress		2,921.06	-	2,921.06	3,534.28	-	3,534.28
(c) Other intangible assets		31.77	-	31.77	37.80	-	37.80
(d) Financial assets							
(i) Investments							
(a) Investments in subsidiary		1,755.93	-	1,755.93	191.01	-	191.01
(b) Other investments		0.26	-	0.26	0.24	-	0.24
(ii) Loans		1,034.22	-	1,034.22	1,083.96	-	1,083.96
(iii) Other financial assets	(b)	412.80	9,253.86	9,666.66	306.31	4,874.20	5,180.51
(e) Deferred tax assets (Net)	(h)	3,474.45	(3,474.45)	-	2,238.84	(1,895.51)	343.33
(f) Tax assets (Net)		1,392.89	-	1,392.89	413.23	-	413.23
(g) Other non-current assets		522.94	-	522.94	445.96	-	445.96
Total non-current assets		28,240.20	5,779.41	34,019.61	8,858.23	2,978.69	11,836.92
Current assets							
(a) Inventories		31,741.07	-	31,741.07	29,022.37	-	29,022.37
(b) Financial Assets							
(i) Trade receivables	(c)	23,881.05	(77.97)	23,803.08	11,689.59	(27.40)	11,662.19
(ii) Cash and cash equivalents		725.12	-	725.12	71.33	-	71.33
(iii) Bank balances other than (ii) above		-	-	-	-	-	-
(iv) Loans		2,262.04	-	2,262.04	863.58	-	863.58
(v) Other financial assets	(b)	248.05	269.93	517.98	76.60	995.44	1,072.04
(c) Other current assets	(e)	3,854.45	(591.13)	3,263.32	2,733.78	-	2,733.78
Total current assets		62,711.78	(399.17)	62,312.61	44,457.25	968.04	45,425.29
Total assets		90,951.98	5,380.24	96,332.22	53,315.48	3,946.73	57,262.21
Equity							
(a) Equity share capital		5.00	-	5.00	5.00	-	5.00
(b) Equity component of compound financial instrument	(d)	-	3,290.28	3,290.28	-	-	-
(c) Other equity		(7,436.93)	5,190.31	(2,246.62)	(4,534.27)	3,946.73	(587.54)
Total equity		(7,431.93)	8,480.59	1,048.66	(4,529.27)	3,946.73	(582.54)
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings	(d)	50,088.00	(8,928.87)	41,159.13	94.00	-	94.00
(ii) Other financial liabilities	(d)	-	5,154.53	5,154.53	-	-	-
(b) Provisions		151.84	-	151.84	53.87	-	53.87
(c) Deferred tax liabilities		-	1,244.57	1,244.57	-	-	-
(d) Other non-current liabilities		3,152.56	-	3,152.56	1,504.50	-	1,504.50
Total non-current liabilities		53,392.40	(2,529.77)	50,862.63	1,652.37	-	1,652.37
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		8,396.92	-	8,396.92	36,829.66	-	36,829.66
(ii) Trade payables	(e)	26,562.06	247.05	26,809.11	16,582.65	-	16,582.65
(iii) Other financial liabilities	(d)	6,495.21	(817.63)	5,677.58	2,149.51	-	2,149.51
(b) Provisions		41.45	-	41.45	30.42	-	30.42
(c) Other current liabilities		3,495.87	-	3,495.87	600.14	-	600.14
(d) Current Tax liabilities (Net)		-	-	-	-	-	-
Total current liabilities		44,991.51	(570.58)	44,420.93	56,192.38	-	56,192.38
Total equity and liabilities		90,951.98	5,380.24	96,332.22	53,315.48	3,946.73	57,262.21

INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

47. First-time Ind AS adoption reconciliations
b) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31 March 2016:

Rs. in Lakhs

Particulars	Notes	Year ended 31 March 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue				
Revenue from operations	(b)	59,166.81	3,654.14	62,820.95
Other income		682.49	280.97	963.46
Total Revenue		59,849.30	3,935.11	63,784.41
Expenses				
EPC, O&M and Common Infrastructure Facility expenses	(e)	52,140.27	185.49	52,325.76
Changes in inventories work in progress		3,639.86	-	3,639.86
Employee benefits expense	(f)	2,786.54	2.22	2,788.76
Finance costs	(d)	3,741.85	720.72	4,462.57
Depreciation and amortisation expense		478.98	-	478.98
Other expenses	(e)	719.45	703.16	1,422.61
Total Expenses		63,506.95	1,611.59	65,118.54
Profit before exceptional items and tax		(3,657.65)	2,323.52	(1,334.13)
Exceptional item		(480.61)	-	(480.61)
Profit before tax		(4,138.26)	2,323.52	(1,814.74)
Tax expense:				
Current tax				
MAT credit entitlement				
Deferred tax	(h)	(1,235.61)	1,081.40	(154.21)
Total tax		(1,235.61)	1,081.40	(154.21)
Profit for the year		(2,902.65)	1,242.12	(1,660.53)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans	(f)		2.22	2.22
Tax on above	(h)	-	(0.77)	(0.77)
Total other comprehensive income		-	1.45	1.45
Total comprehensive income for the year		(2,902.65)	1,243.57	(1,659.08)



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

47. First-time Ind AS adoption reconciliations

c) Effect of Ind AS adoption on the statement of cash flows for the year ended 31 March 2016

Particulars	Year ended 31 March 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	(2,471.00)	-	(2,471.00)
Net cash flows from investing activities	(14,838.05)	-	(14,838.05)
Net cash flows from financing activities	17,962.84	-	17,962.84
Net increase (decrease) in cash and cash equivalents	653.79	-	653.79
Cash and cash equivalents at the beginning of the period	71.33	-	71.33
Cash and cash equivalents at the end of the period	725.12	-	725.12

Analysis of cash and cash equivalents as at 31 March 2016 and as at 1 April 2015 for the purpose of statement of cash flows under Ind AS:

Particulars	As at 31 March 2016	As at 1 April 2015
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	725.12	71.33
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	725.12	71.33



INOX WIND INFRASTRUCTURE SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2017

47. First-time Ind AS adoption reconciliations

d) Equity reconciliation:

Particulars	Notes	As at 31 March 2016	As at 1 April 2015
Total equity / shareholders' funds under previous GAAP		(7,431.92)	(4,529.27)
On account of straight lining of O&M revenue	(b)	9,523.78	5,869.64
Effect of measuring financial instruments at fair value	(d)	(439.75)	-
Equity Portion of Compound instruments	(d)	3,290.28	-
Provision for expected credit losses	(c)	(77.97)	(27.40)
Prior period items	(e)	(838.08)	-
Tax impact on above adjustments	(h)	(2,977.68)	(1,895.51)
Total adjustment to equity		8,480.58	3,946.73
Total equity under Ind AS		1,048.66	(582.54)

Profit reconciliation:

Particulars	Notes	2015-2016
Net profit under previous GAAP		(2,902.66)
Add/Less		
Actuarial loss on employee defined benefit plan recognized in other comprehensive income	(f)	(2.22)
On account of straight lining of O&M revenue	(b)	3,654.14
Effect of measuring financial instruments at fair value	(d)	(439.75)
Provision for expected credit losses	(c)	(50.57)
Prior period items	(e)	(838.08)
Tax impact on above adjustments	(h)	(1,081.40)
Net profit reported under IND AS		(1,660.54)
Other comprehensive income (net of tax)	(f)	2.22
Tax on Remeasurements of the defined benefit plans	(h)	(0.77)
Net profit under Ind AS		(1,659.09)



Footnotes for IGAAP to Ind AS reconciliation

a) Non-Current Investments:

In the financial statements prepared under previous GAAP, non-current investments in Government securities (viz. National Savings Certificates) and subsidiaries were measured at cost less provision for diminution (other than temporary). Under Ind AS, the Company has recognised such investments at amortised cost.

On the date of transition, there is no change in the carrying value of investments.

The above changes do not affect profit for the year ended 31 March 2016 and total equity as at date of transition to Ind AS and as at 31 March 2016.

b) Revenue from sale of services:

In the financial statements prepared under previous GAAP, revenue from sale of services in respect of Operation & Maintenance (O & M) services were recognised in terms of the respective contracts. However, under Ind AS, revenue from sale of services in respect of O & M services is recognised on straight line basis (SLM) over the period of the contract.

Consequent to this change, on the date of transition to Ind AS, unbilled revenue from O & M services of Rs. 5869.64 lakhs is recognized with corresponding increase in the retained earnings. The amount of such unbilled revenue recognised as at 31st March 2016 is Rs. 9523.78 lakhs.

The profit before tax for the year ended 31st March 2016 is increased by Rs. 3654.14 lakhs on account of recognition of O & M revenue on SLM basis.

c) Expected credit losses:

Under previous GAAP, the Company had created provision for impairment of receivables only in respect of specific amount for doubtful receivables. Under Ind AS, additional impairment allowance has been determined based on Expected Credit Loss model (ECL).

Consequent to this change, on the date of transition to Ind AS, allowance for ECL of Rs. 27.40 lakhs is recognized with corresponding reduction in the retained earnings. The amount of allowance for ECL recognised as at 31st March 2016 is Rs. 77.97 lakhs.

The profit before tax for the year ended 31st March 2016 is decreased by Rs. 50.57 lakhs on account of allowance for ECL.



d) Optionally convertible debentures

During the year ended 31 March 2016 the Company had issued 5000000 4% optionally convertible debentures of Rs. 1,000 each amounting to Rs. 50,000 Lakhs to its holding company Inox Wind Limited. These debentures are convertible, at the option of the debentureholder, into equity shares at fair value as on the date of conversion.

Under previous GAAP, the entire amount of debentures was treated as liability and was included in Non-current borrowings. The interest on above debentures was charged at the fixed rate.

Under Ind AS, these optionally convertible debentures are compound financial instrument. Refer Note 19 for its treatment in the financial statements.

Consequent to above changes, as at 31 March 2016, the equity portion of compound financial instrument at Rs. 3290.28 (net of deferred tax of Rs. 1741.34 lakhs) is included in total equity, derivative liability of Rs. 5154.53 lakhs is recognised and the amount included under borrowings is Rs. 41071.13 lakhs.

Profit before tax for the year ended 31 March 2016 is lower by Rs. 439.75 lakhs (as at 1 April 2015: Rs. Nil) on account of above.

e) Prior period items

Profit for the year ended 31st March 2016 is lower by Rs. 838.08 lakhs on account of prior period expenditure with corresponding effect in the carrying amount of trade payables and other current assets (refer Note 44).

f) Remeasurement of defined benefit plan

In the financial statements prepared under previous GAAP, remeasurement of defined benefit plans and assets (gratuity), arising due to change in actuarial assumptions was recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans and assets is recognised in OCI as per the requirements of Ind AS 19 - Employee benefits. Consequently, the related tax effect of the same has also been recognised in OCI.

For the year ended 31st March 2016, remeasurement of gratuity liability resulted in a net benefit of Rs. 2.22 lakhs which has now been removed from employee benefits expense in the Statement of Profit and Loss and recognised separately in OCI.

The above changes do not affect total equity as at date of transition to Ind AS and as at 31st March 2016.



Notes to the financial statements for the year ended 31 March 2017

g) Other Comprehensive income:

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other Comprehensive income.

This change does not affect total equity as at date of transition to Ind AS and as at 31st March 2016.

h) Deferred tax:

In the financial statements prepared under previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/liability on timing differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax asset/liability on temporary differences between the carrying amount of an asset/liability in the Balance Sheet and its corresponding tax base.

The application of Ind AS has resulted in recognition of deferred tax on new temporary differences which were not required to be recognised under previous GAAP. In addition, the transitional adjustments as described in the preceding paragraphs have also led to temporary differences and creation of deferred tax thereon.

This has resulted in creation of net deferred tax liability of Rs. 1,895.51 lakhs as at date of transition to Ind AS with a corresponding decrease in retained earnings and reduction in the amount of deferred tax asset in the Balance Sheet.

For the year ended 31st March 2016, it has resulted in increase in deferred tax expense by Rs.1081.40 lakhs in the Statement of Profit and Loss and recognition of deferred tax benefit of Rs.0.77 lakhs in OCI. Further, deferred tax of Rs. 1741.34 lakhs is recognized with corresponding adjustment directly in other equity.

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

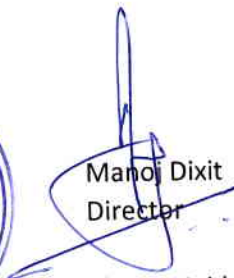


S S Agrawal
Partner

Place : Pune
Date : 12 May 2017



For and on behalf of the Board of Directors



Manoj Dixit
Director

Place : Noida
Date : 12 May 2017



Vireef Davis
Director

NOTICE

NOTICE is hereby given to the Members of **Inox Wind Infrastructure Services Limited** that the **Fifth Annual General Meeting** of the Company will be held at the Registered Office of the Company at Survey No. 1837 & 1834 at Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat 390007, on Friday, the 22nd September, 2017, at 10:00 A.M., to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017, the reports of the Board of Directors and Auditors thereon; and

2. Re-appointment of Shri Mukesh Manglik as Director of the Company

To appoint a Director in place of Shri Mukesh Manglik (DIN: 07001509) who retires by rotation and being eligible offers himself for re-appointment.

3. Ratification of the appointment of Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W) as Statutory Auditors

To ratify the appointment of Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W) as Statutory Auditors of the Company and to authorize the Audit Committee and the Board of Directors to fix their remuneration and for this purpose, to consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, the appointment of Patankar & Associates, Chartered Accountants, Pune (Firm Registration No. 107628W), as Statutory Auditors of the Company be and is hereby ratified from the conclusion of the Fifth Annual General Meeting till the conclusion of Sixth Annual General Meeting and that the Board of Directors of the Company and the Audit Committee of the Company be and are hereby authorized to fix their remuneration for the said period including reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

SPECIAL BUSINESS

4. Approval for re-appointment of Shri Vineet Valentine Davis as Whole-time Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and pursuant to

the recommendation of the Board of Directors and Nomination and Remuneration Committee, Shri Vineet Valentine Davis (DIN: 06709239) be re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a further period of one year commencing from 8th October, 2017 on such terms and conditions including remuneration as set out below, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri Vineet Valentine Davis, subject to the same not exceeding limits specified under Schedule V to the Companies Act, 2013 or any statutory modifications(s) thereof:

Remuneration of upto Rs. 99.00 lakhs per annum.

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company.

Leave encashment payable in addition to the aforesaid remuneration as per the rules of the Company.

Gratuity payable in addition to the above remuneration at the rate of half month's salary for each completed year of service.

The above remuneration may be revised in case of annual increment during the year.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds & things and to take all such steps as they may deem necessary, proper or expedient to give effect to this resolution."

5. Approval for re-appointment of Shri Manoj Shambhu Dixit as Whole-time Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and pursuant to the recommendation of the Board of Directors and Nomination and Remuneration Committee, Shri Manoj Shambhu Dixit (DIN: 06709232) be re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a further period of one year commencing from 8th October, 2017 on such terms and conditions including remuneration as set out below, with the liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri Manoj Shambhu Dixit, subject to the same not exceeding limits specified under Schedule V to the Companies Act, 2013 or any statutory modifications(s) thereof:

Remuneration of upto Rs. 26.00 lakhs per annum.

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company.

Leave encashment payable in addition to the aforesaid remuneration as per the rules of the Company.

Gratuity payable in addition to the above remuneration at the rate of half month's salary for each completed year of service.

The above remuneration may be revised in case of annual increment during the year.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds & things and to take all such steps as they may deem necessary, proper or expedient to give effect to this resolution.”

6. **Approval of remuneration of M/s Jain Sharma and Associates (Firm Registration no. 000270) for Cost Audit of the Company for Financial Year 2016-17**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 141, 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 99,000 (Rupees Ninety Nine Thousand Only) plus service tax as applicable and reimbursement of out of pocket expenses, at actual, as approved by Board of Directors of the Company, to be paid to M/s Jain Sharma and Associates, Cost Auditors (Firm Registration no. 000270) of the Company for conducting the audit of the cost records of the Company for the Financial Year ending on 31st March, 2018, be and is hereby ratified and confirmed.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds & things and to take all such steps as they may deem necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors



Vineet Valentine Davis
(DIN: 06709239)
Director

Place: Noida
Date: 09th August, 2017

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%), OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
3. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business as per item No 4 to 6 hereinabove is annexed hereto.
4. Appointment / Re-appointment of Directors:

The information required to be provided as per the Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India in respect of Director/s being appointed / re-appointed is given herein below:

Name of Director	Shri Mukesh Manglik	Shri Vineet Valentine Davis	Shri Manoj Shambhu Dixit
Age and Date of Birth	16 th September, 1951, 65 Years	17 th June 1968, 49 Years	25 th September, 1972, 44Years
Date of first appointment on the Board	21 st October, 2014	08 th October, 2013	08 th October, 2013
Directors Identification Number	07001509	06709239	06709232
Qualification	BE (Electrical), VJTI, Mumbai University	Bachelor's Degree in Electrical Engineering from National Institute of Technology, Jamshedpur	Master's Degree in Mechanical Engineering.
Experience / Expertise in Specific Functional Area	More than 42 years of experience in the area of design and development of power electronics and process controls. Has over 11 years of experience in the Wind Industry with expertise in engineering, operations and maintenance of Wind Turbine Generators including commissioning. He was involved in designing parts and saving costs related	He has more than 24 years of experience in Project development and engineering, project management, techno commercial operations, vendor management, logistics, construction and site management.	He has more than 21 years' experience in Power Management, Project Development, Power scheduling, land acquisition and approvals and government policy matters related to Power.

	to the turbine in his present and previous assignments.		
Directorship held in other Companies	<ol style="list-style-type: none"> 1. Wind One Renergy Private Limited 2. Wind Two Renergy Private Limited 3. Wind Three Renergy Private Limited 4. Wind Four Renergy Private Limited 5. Wind Five Renergy Private Limited 6. Suswind Power Private Limited 7. Vasuprada Renewables Private Limited 8. Ripudaman Urja Private Limited 9. Vibhav Energy Private Limited 	<ol style="list-style-type: none"> 1. Marut-Shakti Energy India Limited 2. Vinirrrmaa Energy Generation Private Limited 3. Satviki Energy Private Limited 4. Sarayu Wind Power (Tallimadugula) Private Limited 5. Sarayu Wind Power (Kondapuram) Private Limited 6. RBRK Investments Limited 7. Wind One Renergy Private Limited 8. Wind Two Renergy Private Limited 9. Wind Three Renergy Private Limited 	<ol style="list-style-type: none"> 1. Vinirrrmaa Energy Generation Private Limited 2. Satviki Energy Private Limited 3. Sarayu Wind Power (Tallimadugula) Private Limited 4. Sarayu Wind Power (Kondapuram) Private Limited 5. RBRK Investments Limited 6. Wind Four Renergy Private Limited 7. Wind Five Renergy Private Limited 8. Suswind Power Private Limited 9. Vibhav Energy Private Limited
Membership / Chairmanship of other Companies	<p>Inox Wind Infrastructure Services Limited</p> <ol style="list-style-type: none"> 1. Audit Committee-Member 2. Nomination and Remuneration Committee-Member 	None	None
The Number of Meeting of the Board Attended during the year	7	7	7
Remuneration last drawn	Rs. 2.40 lakhs (Sitting Fee)	Rs. 40.79 lakhs	Rs. 24.72 lakhs
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any directors/KMP	Not related to any directors/KMP	Not related to any directors/KMP
Shareholding in the Company	Nil	Nil	Nil

5. Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to Shri Manoj Shambhu Dixit, Whole-time Director at least seven days in advance at its Corporate Office so as to enable the Company to keep the information ready.

6. Members / Proxies are requested to bring their filled in Attendance Slip and their copy of Annual Report to the Meeting.

7. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing such representative(s) to attend and vote at the Annual General Meeting.
8. The relevant documents referred to in the accompanying Notice of Meeting and in the Explanatory Statement are open for inspection by the Members of the Company at the Registered Office's on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 01.00 P.M. upto the date of this Meeting and copies thereof shall also be available for inspection in physical form at the Office of the Company situated at INOX Towers, Plot No. 17, Sector -16A, Noida – 201301 , Uttar Pradesh and also at the Meeting.

ANNEXURE TO THE NOTICE

THE STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No 4

At the fourth Annual General Meeting of the Company held on 8th September, 2016, the Members had re-appointed Shri Vineet Davis (DIN: 06709239) as a Whole-time Director of the Company for a period of one year from 8th October, 2016 to 7th October, 2017. Keeping in view his past performance and contribution to the growth of the Company it is desirable that the Company should continue to avail the services of Shri Vineet Valentine Davis as a Whole-time Director of the Company, on the terms as contained in the Resolution.

The matter regarding re-appointment of Shri Vineet Valentine Davis as Whole-time Director was placed before the meeting of the Board of Directors held on 09th August, 2017 and the Board appointed him as a Whole-time Director of the Company for a period of another one year w.e.f. 8th October, 2017 based on the recommendation of the Nomination and Remuneration Committee, subject to the approval of Shareholders.

Accordingly, in compliance of Section 196, 197, 203 read with Schedule V of the Act and Rules framed thereunder, the re-appointment of Shri Vineet Valentine Davis as Whole-time Director of the Company for a period of one year with effect 8th October, 2017 is being placed before the Members for their approval.

Brief resume of Shri Vineet Valentine Davis, nature of his experience in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, Shareholding and relationships between directors, are provided at Note No. 4 of the Notice.

Shri Vineet Valentine Davis is interested in the resolution set out at Item No 4 of the Notice with regard to his re-appointment. The relatives of Shri Vineet Valentine Davis are not interested in the resolution set out at Item No 4 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Directors recommend the Resolution as stated at Item No 4 of the Notice for approval of the Members by way of a Special Resolution.

Item No 5

At the Fourth Annual General Meeting of the Company held on 8th September, 2016, the Members had re-appointed Shri Manoj Shambhu Dixit (DIN: 06709232) as a Whole-time Director of the Company for a period of one year from 8th October, 2016 to 7th October, 2017. Keeping in view his past performance and contribution to the growth of the Company it is desirable that the Company should continue to avail the services of Shri Manoj Shambhu Dixit as a Whole-time Director of the Company, on the terms as contained in the Resolution.

The matter regarding re-appointment of Shri Manoj Shambhu Dixit as Whole-time Director was placed before the meeting of the Board of Directors held on 9th August, 2017 and the Board appointed him as a Whole-time Director of the Company for a period of another one year w.e.f. 8th October, 2017 based on the recommendation of the Nomination and Remuneration Committee, subject to the approval of Shareholders.

Accordingly, in compliance of Section 196, 197, 203 read with Schedule V of the Act and Rules frame thereunder, the re-appointment of Shri Manoj Shambhu Dixit, as Whole-time Director of the Company for a period of one year with effect 8th October, 2017 is being placed before the Members for their approval.

Brief resume of Shri Manoj Shambhu Dixit, nature of his experience in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, Shareholding and relationships between directors, are provided at Note No. 5 of the Notice.

Shri Manoj Shambhu Dixit is interested in the resolution set out at Item No 5 of the Notice with regard to his re-appointment. The relatives of Shri Manoj Shambhu Dixit are not interested in the resolution set out at Item No 5 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Directors recommend the Resolution as stated at Item No 5 of the Notice for approval of the Members by way of a Special Resolution.

Item No 6

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.


Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2018.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Directors recommend the Resolution as stated at Item No.6 of the Notice for approval of the Members by way of an Ordinary Resolution.

Place: Noida
Date: 09th August, 2017

By Order of the Board of Directors


Vineet Valentine Davis
(DIN: 06709239)
Director

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 05th Annual General Meeting of the Company, to be held on Friday, 22nd September, 2017, at 10:00 A.M. at Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat-390007, India and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution Number	Resolution	Vote (Optional see Note 2)(Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business				
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2017, the reports of the Board of Directors and Auditors thereon (Ordinary Resolution)			
2.	To appoint a Director in place of Shri Mukesh Manglik, who retires by rotation and, being eligible, seeks re-appointment (Ordinary Resolution)			
3.	To ratify appointment of Statutory Auditor and to fix their remuneration (Ordinary Resolution)			
Special Business				
4.	Re-appointment of Shri Vineet Valentine Davis as Whole-time Director of the Company (Special Resolution)			
5.	Re-appointment of Shri Manoj Shambhu Dixit as Whole-time Director of the Company (Special Resolution)			
6.	Approval of remuneration to the Cost Auditors (Ordinary Resolution)			

Signed this _____ day of _____ 2017.

Signature of Shareholder

Signature of Proxy Holder(s)

Affix a Revenue Stamp not less than Re. 1

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP

[To be handed over at the entrance of Meeting Hall]

INOX WIND INFRASTRUCTURE SERVICES LIMITED
(CIN: U45207GJ2012PLC070279)

Registered Office: Survey No. 1837 & 1834 at Moje Jetalpur, ABS Towers, Second Floor
Old Padra Road, Vadodara Gujarat 390007
Telephone: 0265 6198111/2330057, Fax: 0265 2310312
Email id: investors.iwl@inoxwind.com

ATTENDANCE SLIP

5th Annual General Meeting, Friday, 22nd September, 2017 at 10:00 A.M.

Regd. Folio No. _____/DP ID _____ Client ID/Ben. A/C _____ No. of shares
held _____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company.

I hereby record my presence at the 05th Annual General Meeting of the Company on Friday, 22nd September, 2017 at 10:00 A.M at Survey No. 1837 & 1834, At Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat- 390007

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

Route map



Survey No. 1837 & 1834 At Moje Jetalpur, ABS Towers, Second Floor,
Old Padra Road, Vadodra- 390007, Gujarat

BOARD'S REPORT

To the Members of INOX WIND INFRASTRUCTURE SERVICES LIMITED

Your Directors take pleasure in presenting to you their Fifth Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2017.

1. FINANCIAL RESULTS

Following are the working results for the Financial Year 2016-17:

Sr. No.	Particulars	Rs in Lakh	
		2016-17	2015-16
		I	Revenue from Operations
II	Other income	694.81	963.46
III	Total Revenue Income (I+II)	70,389.24	63,784.41
IV	Net Expenses	62,926.74	65,599.15
V	Profit before tax (III-IV)	7462.50	(1,814.74)
VI	Total Tax expense	3,349.95	(154.21)
VII	Profit/(Loss) for the year (V -VI)	4,112.55	(1,660.53)
VIII	Other Comprehensive Income	1.08	1.45
IX	Total Comprehensive Income (VII + VIII)	4,113.63	(1,659.08)
X	Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	14,298.65	3,607.42
XI	Paid -up Equity Share Capital (Face value of Rs.10 each)	5,00,000	5,00,000

2. DIVIDEND

With a view to finance the Company's ongoing projects and considering future expansion plans, no dividend has been recommended by the Board of Directors for the year ended 31st March, 2017.

3. DIRECTORS

Your Directors recommend appointment/ re-appointment of following Directors:

Re-appointment of Shri Mukesh Manglik (DIN: 07001509) who retires by rotation and being eligible offers himself for re-appointment.

The Board of Directors at its meeting held on 9th August, 2017 had re-appointed Shri Vineet Valentine Davis (DIN: 06709239) and Shri Manoj Shambhu Dixit (DIN: 06709232) as a Whole-time Directors of the Company both for a period of one year with effect from 8th October, 2017 subject to approval of the Members at the ensuing Annual General Meeting.

Necessary resolutions in respect of Directors seeking re-appointment and their brief resume pursuant to the secretarial standard on General Meetings are provided in the Notice of the Annual General Meeting forming part of this Annual Report.

Particulars of shares held by Non-Executive Directors

Name of Non-Executive Director	No. of shares held	% of total share holding
Mukesh Rajnarayan Manglik	Nil	Nil
Vineet Valentine Davis	Nil	Nil
Manoj Shambhu Dixit	Nil	Nil

4. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is annexed to this report as **Annexure A**.

5. INDEPENDENT DIRECTORS

Pursuant to provisions of Section 149(7) of the Companies Act, 2013, all Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Act.

6. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Formal Letter of Appointment:

Independent Directors of the Company has been issued a formal Letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities.

Separate Meeting of Independent Directors:

As stipulated under Section 149 of the Companies Act, 2013 (the "Act"), read with Schedule IV of the said Act, a separate meeting of the Independent Directors of the Company was held on 03rd February, 2017 with the following agenda:

- to review performance of Non-Independent Directors and the Board as a whole;
- to review the performance of Chairperson of the Company taking into account the views of executive and Non-Executive Directors of the Company ; and
- to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors:

At the Meeting of the Board of Directors of the Company held on 03rd February, 2017, the Board of Directors were presented with a statement showing the duties of Directors as defined under Section 166 of the Companies Act, 2013 (the "Act") and also duties as well as role and functions of Independent Directors as defined under Section 149 read with Schedule IV of the Act.

7. BOARD EVALUATION

The Independent Directors at their meeting held on 03rd February, 2017 had evaluated performance of Non-Independent Directors and Board as a whole including Committees of Board in accordance with evaluation mechanism approved at the said meeting. Further, the Board of Directors at its meeting held on 03rd February, 2017 had evaluated performance of Independent Directors in accordance with the evaluation mechanism approved at the said meeting. These evaluations were done as per the requirements laid down in Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act. The performance of Directors was evaluated based on the parameters such as qualifications, experience, personal attributes like honesty and integrity, independence, professional skills, contribution to Board Meetings, etc. while the performance of the Board and the Committees were evaluated based on the parameters such as Policies and Procedures followed, Qualification & Experience of Board and

Committee Members, Composition of Board and Committee, Diversity on the Board, Board Meetings and Committee Meetings, Corporate Governance, etc. A structured questionnaire was prepared covering the above areas of competencies and was given to each Director. Feedback received from the Directors reflected satisfactory performance.

8. MEETINGS OF THE BOARD

During the year under review, the Board met 7 (Seven) times on the following dates, 06th May, 2016, 10th August, 2016, 02nd September, 2016, 28th October, 2016, 05th January, 2017, 03rd February, 2017 and 04th March, 2017. The intervening gap between the two Meetings was within the time limit prescribed under Section 173 of the Companies Act, 2013.

9. AUDIT COMMITTEE OF BOARD

The Audit Committee comprises of three Directors namely Shri Shanti Prashad Jain, Chairman and Shri Mukesh Manglik, and Shri V. Sankaranarayanan as Members of the Committee.

During the Financial Year 2016-17, the Audit Committee met 5 (Five) times on following dates 06th May, 2016, 10th August, 2016, 02nd September, 2016, 28th October, 2016, and 03rd February, 2017.

The composition of Audit Committee is in compliance of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder.

10. DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SUB-SECTION (5) OF SECTION 134 OF THE COMPANIES ACT, 2013

To the best of their knowledge and belief and according to the information and explanations obtained by your Directors, they make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no departures from the requirements of the Accounting Standards;
- ii. the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the Annual Accounts on a going concern basis;
- v. the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls were adequate and were operating effectively; and
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and Securities provided are given are provided in the Financial Statement of the Company. Please refer to Notes No. 8, 9 and 37 to the Financial Statements of the Company.

12. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the year under review with Related Parties are approved by the Audit Committee and/or Board and/or Shareholders, wherever necessary, as per the provisions of Section 177 and 188 of the Companies Act, 2013 read with the Rules framed thereunder. The Company had not entered into any contract/ arrangement/ transaction with Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions.

All transactions entered with Related Parties for the year under review were on arm's length basis. Further, there were no material related party transactions during the year under review. Hence, disclosures in Form AOC-2 is not required.

13. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Act.

14. ISSUE OF SECURITIES

During the year under review, the Company has issued and allotted 1,950 Rated, Unlisted, Secured, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000 each of the Company (in the form of 4 (four) Separately Tradable Redeemable Principal Parts (STRPPs) namely 1, 2, 3 & 4 of Rs. 2,50,000/- each, maturing consecutively every half year from the Deemed Date of Allotment) ("NCDs") with an interest rate @8.33% (payable semi-annually), at par, aggregating Rs. 195,00,00,000/- (Rupees One Hundred and Ninety-Five Crore) on Private Placement basis.

15. SUBSIDIARY COMPANIES INCLUDING JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has following Subsidiaries

MARUT SHAKTI ENERGY INDIA LIMITED

Marut Shakti Energy India Limited is an unlisted Subsidiary of the Company engaged in the business of development of Wind Farm.

VINIRRMAA ENERGY GENERATION PRIVATE LIMITED

Vinirrmaa Energy Generation Private Limited is an Unlisted Subsidiary of the Company engaged in the business of development of Wind Farm.

SARAYU WIND POWER (TALLIMADUGULA) PRIVATE LIMITED

Sarayu Wind Power (Tallimadugula) Private Limited is an Unlisted Subsidiary of the Company engaged in the business of development of Wind Farm.

SARAYU WIND POWER (KONDAPURAM) PRIVATE LIMITED

Sarayu Wind Power (Kondapuram) Private Limited is an Unlisted Subsidiary of the Company engaged in the business of development of Wind Farm.

SATVIKI ENERGY PRIVATE LIMITED

Satviki Energy India Limited is an Unlisted Subsidiary of the Company engaged in the business of development of Wind Farm.

RBRK INVESTMENTS LIMITED

RBRK Investments Limited is an unlisted Subsidiary of the Company, whose entire share capital was acquired during the year under review, which is engaged in the business of development of Wind Farms.

After the close of the financial year under review, the following Companies have been incorporated as wholly-owned subsidiaries for the purpose of development of Wind Farms:

- **WIND ONE RENERGY PRIVATE LIMITED**
- **WIND TWO RENERGY PRIVATE LIMITED**
- **WIND THREE RENERGY PRIVATE LIMITED**
- **WIND FOUR RENERGY PRIVATE LIMITED**
- **WIND FIVE RENERGY PRIVATE LIMITED**
- **SUSWIND POWER PRIVATE LIMITED**
- **RIPUDAMAN URJA PRIVATE LIMITED**
- **VASUPRADA RENEWABLES PRIVATE LIMITED**
- **VIBHAV ENERGY PRIVATE LIMITED**

The Report on the performance and financial position of each of the Subsidiaries of the Company is annexed to this report, in Form AOC-1, pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 as **Annexure B**.

There are no joint ventures or associate companies.

16. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal controls commensurate with its size and nature of its business. The Board has reviewed internal financial controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted Whistle Blower Policy at its Board Meeting held on 29th May 2014 to report concerns about unethical behaviour, actual or suspected fraud. Adequate safeguards have been provided in the Policy to prevent victimization of Directors/Employees. No personnel has been denied access to the Audit Committee.

18. INDEPENDENT AUDITORS' REPORT

There are no reservations, qualifications or adverse remarks in the Independent Auditor's Report. The notes forming part of the Financial Statements of the Company for the year ended 31st March, 2017 are self-explanatory and do not call for any further clarifications under Section 134 (3) (f) of the Companies Act, 2013.

19. INDEPENDENT AUDITORS

Members at their 3rd Annual General Meeting held on 14th September, 2015 had appointed M/s Patankar & Associates, Chartered Accountants, Pune as Independent Auditors of the Company from the conclusion of 3rd Annual General Meeting until conclusion of 8th Annual

General Meeting. The Board of Directors at their Meeting held on 12th May, 2017 recommended to the Members to ratify appointment of M/s Patankar & Associates, Chartered Accountants, Pune (Firm Registration No 107628W) as Independent Auditors of the Company. Members are now requested to ratify appointment of M/s Patankar & Associates, Chartered Accountants, Pune (Firm Registration No 107628W) as Independent Auditors from the conclusion of the 5th Annual General Meeting until the conclusion of 6th Annual General Meeting and to fix, or authorise the Board to fix, their remuneration based on the recommendation of the Audit Committee. The Independent Auditors, M/s. Patankar & Associates, Chartered Accountants, Pune (Firm Registration No 107628W) have confirmed that their appointment, if made, will be in accordance with Section 139 of the Companies Act, 2013 read with Rule 4 of The Companies (Audit and Auditors) Rules, 2014 and they satisfy criteria laid down in Section 141 of the Companies Act, 2013.

20. COST AUDITORS

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company are required to be audited by a Cost Accountant in practice who shall be appointed by the Board. In view of the above, the Company appointed M/s Jain Sharma and Associates, Cost Auditors (Firm Registration No. 000270) to audit the cost audit records maintained by the Company for Financial Year 2017-18 on a remuneration of Rupees 99,000 (Rupees Ninety Nine Thousand only). As required under the referred Section of the Companies Act, 2013 and relevant Rules, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s Jain Sharma and Associates, Cost Auditors is included at Item No. 6 of the Notice convening the Annual General Meeting.

Particulars of Cost Audit Report submitted by M/s. Jain Sharma and Associates, Cost Auditors in respect of Financial Year 2015-16 is as follows:

Financial Year :	2015-16
Due Date of Filing Cost Audit Report:	30 th September, 2016
Date of Filing Cost Audit Report:	15 th September, 2016

21. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2013, the Company had appointed M/s VAPN & Associates, Company Secretaries, New Delhi (Firm Registration No.: P2015DE045500) to conduct Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report given by the Secretarial Auditor in Form MR-3 which has no qualifications is annexed to this report as **Annexure C**.

22. STATE OF THE COMPANY'S AFFAIRS

This year is the fifth year of operations of your Company. During the year, the Company has focussed on its core business of erection, commissioning, operation and maintenance services for wind farm projects. The revenue of the company is Rs 70,389.24 Lakhs as compared to previous year Rs 63,784.41 Lakhs. The profit before tax is Rs 7,462.50 Lakhs for the year, as compared to previous year loss before tax of Rs. -1,814.74 Lakhs.

23. EXTRACT OF ANNUAL RETURN

In terms of Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2013, the extract of Annual Return as provided in Form No. MGT -9 is annexed to this report as **Annexure D**.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, in the manner prescribed is annexed to this report as **Annexure E**.

25. PARTICULARS OF EMPLOYEES

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information may write to the Director at the Registered Office of the Company.

26. INSURANCE

The Company's property and assets have been adequately insured.

27. RISK MANAGEMENT

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures to review key elements of risks viz Regulatory and Legal, Competition and Financial involved and measures taken to ensure that risk is controlled by means of a properly defined framework. In the Board's view, there are no material risks, which may threaten the existence of the Company.

28. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Prevention, Prohibition and Redressal of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has formed an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed off during the year 2016-17.

No. of Complaints Received	Nil
No. of Complaints disposed of	Not Applicable

29. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

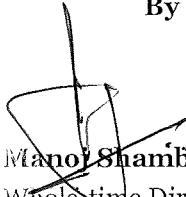
31. ACKNOWLEDGEMENT

Your Directors express their gratitude to all external agencies for the assistance, co-operation and guidance received. Your Directors place on record their deep sense of appreciation for the dedicated services rendered by the workforce of the Company.

By Order of the Board of Directors

Place: Noida

Date: 09th August, 2017


Manoj Shambhu Dixit
Whole-time Director
(DIN: 06709232)


Mukesh Manglik
Director
(DIN: 07001509)

Nomination and Remuneration Policy

1. Preface:

- a. The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company.
- b. This Nomination and Remuneration Policy (NR Policy) has been formulated, *inter alia*, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of Inox Wind Infrastructure Services Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

2. Objectives of this NR Policy:

- a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by NR Committee and recommend to the Board their appointment and removal.
- b. To lay down criteria to carry out evaluation of every Director's performance.
- c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel and other employees to work towards the long term growth and success of the Company.

3. Definitions:

- a. "Board" means the Board of Directors of the Company.
- b. "Directors" means the Directors of the Company.
- c. "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.
- d. "Company" means Inox Wind Infrastructure Services Limited.
- e. "Key Managerial Personnel"(KMP) means
 - Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole-time Director;
 - Company Secretary;
 - Chief Financial Officer
- f. "Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs, comprising of all members of management on level below the Executive Directors including the functional heads.
- g. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

4. NR Policy

NR Policy is divided into three parts as follows:

I. Qualifications

Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:

a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

c. Senior Management Personnel and KMP and Other Employees

The Company has an Organogram displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the Organogram of the Company.

II. Remuneration

a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The Managing Director is also eligible for payment of Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and approved by the Shareholders from time to time to be payable to the Managing Director of the Company . The total salary includes fixed and variable components. The Company’s policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company’s performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

b. Structure of Remuneration for Non-executive Director

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

- i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

c. Structure of Remuneration for Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

III. Evaluation

a. Criteria for evaluating Non-executive Board members:

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel

Criteria for evaluating performance of KMP and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

c. Criteria for evaluating performance of Other Employees

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

5. Communication of this Policy

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the web-site of the Company and in the Annual Report of the Company.

6. Amendment

Any change in the Policy shall, on recommendation of NR Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

Annexure B

AOC 1

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

Name of Subsidiaries						
	Marut-Shakti Energy India Limited	Satviki Energy Private Limited	Sarayu Wind Power (Tallimadugula) Private Limited	Vinirrrmaa Energy Generation Private Limited	Sarayu Wind Power (Kondapuram) Private Limited	RBRK Investments Limited
Date on which the subsidiary was acquired	13/09/2013	19/11/2015	09/12/2015	23/01/2016	25/03/2016	30/08/2016
Reporting period, if different from the holding Company	-	-	-	-	-	-
Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Share Capital	61,10,700	83,50,000	100,000	5,00,000	100,000	7,00,000
Equity Component of Compound Financial Instrument	-	-	-	-	-	-
Reserves and Surplus	(1,12,090,292)	(4,68,308)	(62,24,467)	(60,63,431)	(13,44,096)	40,56,408
Total Assets	4,270,02,983	83,48,281	4,77,21,558	4,62,19,309	1,10,41,250	12,47,54,044
Total Liabilities (excluding Share Capital and Reserves and Surplus)	53,29,82,576	4,66,589	5,38,46,025	51,782,740	1,22,85,346	11,99,97,636
Investments (Other than investment in subsidiary)	-	-	-	-	-	-
Turnover	7,33,27,818	-	1,71,30,437	13,913,040	-	10,08,48,389
Profit/(Loss) before taxation	(4,07,60,841)	(1,27,072)	(5,19,947)	(46,63,183)	(289,019)	81,39,145
Provision for taxation	-	18,000	-	-	-	26,55,060

Profit/(Loss) after taxation	(4,07,60,841)	(1,45,072)	(5,19,947)	(46,63,183)	(289,019)	54,84,085
Proposed Dividend	-	-	-	-	-	-
% of Shareholding	100.00	100.00	100.00	100.00	100.00	100.00

Name of subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B – Associates and Joint Ventures

Statement related to Associate Companies and Joint Ventures Nil

		Rupees in lakhs	
S.No	Particulars		
1	Latest Audited Balance Sheet date	Not Applicable	
2	Shares of Associates/Joint Ventures held by the Company on the year end		
	Number		
	Amount of investment in Associates/ Joint Venture		
	Extended holding %		
3	Description of how there is significant influence		
4	Reason why the associate/joint venture is not consolidated		
5	Net worth attributable to Shareholding as per latest balance sheet		
6	Profit/Loss for the year		
	considered in consolidation		
	Not considered in consolidation		

Name of associates or joint ventures which are yet to commence operations: Nil

Names of associates or joint ventures which have been liquidated or sold during the year: Nil

SECRETARIAL AUDIT REPORT
For the Financial Year ended on 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Inox Wind Infrastructure Services Limited
CIN: U45207GJ2012PLC070279
Survey No. 1837 & 1834 At Moje Jetalpur,
ABS Towers, Second Floor,
Old Padra Road, Vadodara Gujarat 390007

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INOX WIND INFRASTRUCTURE SERVICES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **INOX WIND INFRASTRUCTURE SERVICES LIMITED** for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder and applicable provisions of the Companies Act, 1956;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depository Acts, 1996 and the Regulations and Bye Laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (are not applicable as the Company have not received any investment under FDI or any External Commercial Borrowing nor made any Overseas Direct investment during the financial year under the review)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review)

- (b) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015 are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (are not applicable as the Company have not issued any further Share Capital during the financial year under the review)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (are not applicable as the Company have not issued any Equity Share Capital under ESOP Scheme during the financial year under the review)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company and dealing with clients; (are not applicable as the Company is not registered as a Registrar to issue and Share Transfer Agent during the financial year under the review)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review)

We have also examined compliance with the applicable clauses of the following:-

- (i) The Secretarial Standards with regards to meeting of Board of Directors (SS1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and;
- (ii) The Listing Agreement issued by the Company with NSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

- The Board of Directors of the Company is duly constituted with required numbers of Executive Directors, Non-Executive Directors and Independent Directors.
- Proper notice were given to all the directors of the schedule Board/ Committee and Shareholders Meetings, with agenda along with the detailed notes on agenda, and were circulated at least seven days in advance and a system exists for seeking and obtaining the further information and clarifications, wherever necessary, on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority of decisions were carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further to report that the based on review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the respective Department heads and the Company Secretary, that were duly placed before and taken on the record by the Board of Directors in their meeting(s), we are of the opinion that there are adequate systems and processes within the company that commensurate with the size and operations of the company to monitor and ensure the compliance with applicable laws, rules, regulations and guidelines. Further we observed that all the compliance has been maintained and done properly with respect to requirements under Corporate Laws, Tax Laws, Factories Act, Payment of wages Act, Payment of Gratuity Act, Payment of Bonus Act, Employee State Insurance Act, Employees Provident Fund Act and other allied Acts applicable on the Company.

**For VAPN & Associates
Company Secretaries
Firm Registration No.: P2015DE045500**

**CS Prabhakar Kumar
Partner
CP No.: 10630**

Place: New Delhi
Date: 2nd June, 2017

To,
The Members,
Inox Wind Infrastructure Services Limited
CIN: U45207GJ2012PLC070279
Survey No. 1837 & 1834 At Moje Jetalpur,
ABS Towers, Second Floor,
Old Padra Road, Vadodara Gujarat 390007

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility:

It is the responsibility of the management of the Company to maintain the secretarial records, and to devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respects to Secretarial Compliances.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Our examination was limited to the verification of procedures on test basis.

Disclaimer

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For VAPN & Associates
Company Secretaries
Firm Registration No.: P2015DE045500

CS Prabhakar Kumar
Partner
CP No.: 10630

Place: New Delhi
Date: 2nd June, 2017

MGT 9

Extract of Annual Return as on the Financial Year ended on 31st March, 2017
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	Corporate Identification Number	:	U45207GJ2012PLC070279
ii.	Registration Date	:	11 th May, 2012
iii.	Name of the Company	:	Inox Wind Infrastructure Services Limited
iv.	Category/Sub-Category of the Company	:	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered Office and Contact Details	:	Registered Office and Factory : Survey No. 1837 & 1834 at Moje Jetalpur, ABS Towers, Second Floor, Old Padra Road, Vadodara, Gujarat - 390007 Tel: 0265 6198111/2330057 Fax: 0265 2310312
vi.	Whether listed company yes or no	:	No
vii.	Name, Address and Contact Details of Registrar and Share Transfer Agents, if any	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more the total turnover of the company shall be stated:

S. No	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1.	Erection, Commissioning, Operation and Maintenance Services For Wind Farm Projects	45204	98.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	CIN/GIN	Holding/subsidiary/associate	% of shares held	Applicable Section
1.	L31901HP2009PLC031083 (Inox Wind Limited)	Holding	100%	2 (46)
2.	U65910MH1995PLC085703 Inox Leasing and Finance Limited, 69, Jolly Maker Chambers II, Nariman Point, Mumbai - 400021	Holding	NIL	2 (46)
3.	L24110GJ1987PLC009362 Gujarat Fluorochemicals Limited	Holding	NIL	2 (46)
4.	U04010GJ2000PLC083233 Marut-Shakti Energy India Limited	Subsidiary	100%	2 (87)
5.	U40100AP2013PTC089795	Subsidiary	100%	2 (87)

	Satviki Energy Private Limited			
6.	U40108TG2012PTC078732 Sarayu Wind Power (Tallimadugula) Private Limited	Subsidiary	100%	2 (87)
7.	U40109TG2007PTC056146 Vinirrrmaa Energy Generation Private Limited	Subsidiary	100%	2 (87)
8.	U40108TG2012PTC078981 Sarayu Wind Power (Kondapuram) Private Limited	Subsidiary	100%	2 (87)
9.	U40100TG2005PLC047851 RBRK Investments Limited	Subsidiary	100%	2 (87)
10.	U40106GJ2017PTC097088 Wind One Renergy Private Limited	Subsidiary	100%	2 (87)
11.	U40300GJ2017PTC096960 Wind Two Renergy Private Limited	Subsidiary	100%	2 (87)
12.	U40200GJ2017PTC096956 Wind Three Renergy Private Limited	Subsidiary	100%	2 (87)
13.	U40300GJ2017PTC097003 Wind Four Renergy Private Limited	Subsidiary	100%	2 (87)
14.	U40100GJ2017PTC096973 Wind Five Renergy Private Limited	Subsidiary	100%	2 (87)
15.	U40300GJ2017PTC097128 Suswind Power Private Limited	Subsidiary	100%	2 (87)
16.	U40100GJ2017PTC097130 Vasuprada Renewables Private Limited	Subsidiary	100%	2 (87)
17.	U40300GJ2017PTC097140 Ripudaman Urja Private Limited	Subsidiary	100%	2 (87)
18.	U40106GJ2017PTC098230 Vibhav Energy Private Limited	Subsidiary	100%	2 (87)

IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of total equity

i. Category-wise Share Holding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter (1) Indian									
Individual/HUF	0	600*	600*	1.20*	0	600*	600*	1.20*	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	49,400	49,400	98.98	0	49,400	49,400	98.98	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	0	50,000	50,000	100.00	0	50,000	50,000	100.00	0
(2) Foreign									
NRIs - Individuals	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Banks/FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A) 2	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=A(1)+A(2)	0	50,000	50,000	100.00	0	50,000	50,000	100.00	0

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01 st April, 2016)			Shareholding at the end of the year (31 st March, 2017)			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	INOX WIND LIMITED	49,400	98.98	-	49,400	98.98	-	0
2	SHRI VIVEK KUMAR JAIN	100*	0.20*	-	100*	0.20*	-	0
3	SHRI DEVENDRA KUMAR JAIN	100*	0.20*	-	100*	0.20*	-	0
4	SHRI DEVANSH JAIN	100*	0.20*	-	100*	0.20*	-	0
5	SHRI PAVAN KUMAR JAIN	100*	0.20*	-	100*	0.20*	-	0
6	SHRI SIDDHARTH JAIN	100*	0.20*	-	100*	0.20*	-	0
7	SHRI MUKESH PATNI	100*	0.20*	-	100*	0.20*	-	0
	Total	50,000	100.00	-	50,000	100.00	-	0

*Holding as nominee of Inox Wind Limited (Promoter of the Company)

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

S. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NIL			

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Shareholding at the beginning of the year (01 st April, 2016)		Shareholding at the end of the year (31 st March, 2017)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
For Each of the Top 10 Shareholders				
	Not Applicable			

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2016)		Shareholding at the end of the year (31 st March, 2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Director				
1.	Shri Mukesh Rajnarayan Manglik	-	-	-	-
2.	Shri Venkatanarayanan Sankaranarayanan	-	-	-	-
3.	Shri Shanti Prashad Jain	-	-	-	-
	Key Managerial Personnel				
4.	Shri Vineet Valentine Davis	-	-	-	-
5.	Shri Manoj Shambhu Dixit	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount (Rs in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount		8,396.92	-	8,396.92
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due		388.84	-	388.84
Total (i+ii+iii)		8,785.76	-	8,785.76
Change in Indebtedness during the financial year				
• Addition	19500	1,10,195.82	-	1,29,695.82
• Reduction	-	1,01,851.74	-	1,01,851.74
Net Change	19500	8,344.08	-	27,844.08
Indebtedness at the end of the financial year				
i. Principal Amount	19500	16,741.00	-	36,241.00
ii. Interest due but not paid	-	-	-	-

iii. Interest accrued but not due	218.06	1,365.81	-	1,583.87
Total (i+ii+iii)	19,718.06	18,106.81	-	37824.87

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs in lakhs)
		Shri Vineet Valentine Davis	Shri Manoj Shambhu Dixit	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	40.79	24.72	65.51
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify	-	-	-
	Total (A)			65.51
	Ceiling as per the Act			960.03

B. Remuneration to Other Directors

S. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs. in lakhs)
		Shri Shanti Prashad Jain	Shri Venkatanarayanan Sankaranarayanan	
1	Independent Directors			
	Fee for attending Board/Committee Meetings	2.40	2.40	4.80
	Commission	-	-	-
	Others	-	-	-

	Total (1)			4.80
2	Other Non-Executive Directors	Shri Mukesh Rajnarayan Manglik		
	Fee for attending Board/Committee Meetings	2.40		2.40
	Commission		-	-
	Others		-	-
	Total (2)		-	2.40
	Total of B = (1+2)			7.20
	Total Managerial Remuneration			72.71
	Overall Ceiling as per the Act			1,056.04

C. Remuneration to Key Managerial Personnel (KMP) other than MD/Manager/WTD

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer	Company Secretary	Chief Financial Officer	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	Not Applicable	Not Applicable	Nil
	(b) Value of perquisites u/s				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total				

VII. Penalties /Punishments / Compounding of Offences

Type : Penalty	Section of the Companies Act 2013	Brief Description:	Details of Penalty / Punishment / Compoundin g fees imposed	Author ity [Rd / NCLT / Court] :	Appeal made, if any (give details) :
A. Company					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
B. Directors					
Penalty		Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil
C. Other Officers in default					
Penalty	-	Nil	Nil	Nil	Nil
Punishment	-	Nil	Nil	Nil	Nil
Compounding	-	Nil	Nil	Nil	Nil

To The Directors' Report

Information as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY

Not Applicable

(B) TECHNOLOGY ABSORPTION

Nil

(C) THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT


Nil


(D) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange Earned - Nil
Foreign exchange Outgo - Nil

By Order of the Board of Directors

Place: Noida
Date: 09th August, 2017


Manoj Shambhu Dixit
Whole-time Director
(DIN: 06709232)


Mukesh Manglik
Director
(DIN: 07001509)