

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of **Inox Wind Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Inox Wind Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Standalone Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Standalone Financial Statement.

### Emphasis of matter

1. We draw attention to Note 43 of the Statement which describes the management's assessment of the impact of the outbreak of Covid-19 on property plant & equipment, revenue, trade receivables, advances, investments and other assets. The management believes that no adjustments are required in the standalone financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment and its likely effect on future revenues due to Covid-19, a definitive assessment of the impact on the subsequent years is dependent upon circumstances as they evolve.
2. We draw attention to Note 44 of the Statement which describes that the Company have a system of obtaining periodic confirmation of balances from various parties (other than disputed parties). The External Balance Confirmations were sent to banks and parties and certain party's balances are subject to confirmation / reconciliation. Adjustments, if any will be accounted for on confirmation / reconciliation of the same, which in the opinion of the management will not have a material impact.

Our report is not modified in respect of above matters.

### Key Audit Matters

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

### The Key audit Matters

#### Litigation Matters

The Company has certain significant pending legal proceedings with Judicial/Quasi-Judicial for various complex matters with contractor/transporter, customer and other parties, continuing from earlier years.

Further, the company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Note 41 of the standalone financial statements.

### How our audit addressed the key audit matter

Our audit procedures related to litigation matters include the following:

- Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss.
- Discussed with the management on the development in these litigations during the year ended March 31, 2021.

**The Key audit Matters**

Due to complexity involved in these litigation matters, management’s judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter.

**Alternate audit procedure carried out in light of COVID– 19 outbreaks**

Due to the outbreak of COVID-19 pandemic, the consequent lockdown/curfew and travel restrictions imposed by the Government/local administration during the audit period, the audit processes could not be carried out physically at the Company’s premises.

The statutory audit was conducted via making arrangements to provide requisite documents/ information through electronic medium as an alternative audit procedure.

We have identified such alternative audit procedure as a key audit matter

**How our audit addressed the key audit matter**

- Rolled out of enquiry letters to the Company’s legal counsel and noted the responses received.
- Assessed the responses received from Company’s legal counsel by engaging legal experts.
- Assessed the objectivity, independence and competence of the Company’s legal counsel involved in the process and legal experts engaged by us.
- Reviewed the disclosures made by the Company in the Standalone Financial Statements in this regard.

As a part of alternative audit procedure, the Company has made available the following information/ records/ documents/ explanations to us through e-mail and remote secure network of the Company: -

- a) Scanned copies of necessary records/documents deeds, certificates and the related records made available electronically through e-mail or remote secure network of the Company; and
- b) By way of enquiries through video conferencing, dialogues and discussions over phone, e-mails and similar communication channels.

It has also been represented by the management that the data and information provided electronically for the purpose of our audit are correct, complete, reliable and are directly generated from the accounting system of the Company, extracted from the records and files, without any further manual modifications so as to maintain its integrity, authenticity, readability and completeness. In addition, based on our review of the various internal audit reports/inspection reports, nothing has come to our knowledge that make us believe that such alternate audit procedure would not be adequate.

**Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

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

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

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

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

**Responsibility of Management for Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

3. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

- i. The Company does not have any pending litigations which would impact its financial position other than disclosed in the standalone financial statement (Refer Note No. 41 of the standalone financial statement);
- ii. The Company had made provision, as required under the applicable law or accounting standard, for material foreseeable losses on long-term contracts including derivative contracts (Refer Note No. 39 of the standalone financial statement); and
- iii. There has no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Chartered Accountants  
Firm Regn. No. 000472N

**Sandeep Dahiya**

Partner

Date: 25 June 2021

Place: New Delhi

Membership No. 505371

UDIN: 21505371AAAAAON2302

## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph - 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date.)

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

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

In our opinion, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, goods and service tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable except the followings:

Name of the Statute	Name of dues	Amount (in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Customs Act, 1962	Duty payable against the stock-in-transit	1,329.41	FY 2016-17 to FY 2020-21	FY 2016-17 to FY 2020-21	-
Foreign Trade (Development & Regulation) Act, 1992	Custom duty saved on imports against expired EPCG license (including interest thereon)	1,523.03	FY 2009-10 to FY 2012-13	FY 2015-16 to FY 2018-19	-

Name of the Statute	Name of dues	Amount (in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Interest on Tax Deducted at Source	105.59	June 2019 to August 2020	-	-
Employees State Insurance Act, 1948	Employees' State Insurance	1.20	Year 2015-16 and November 2019 to August 2020	15th of every next month	-
Labour Welfare Fund Act of respective states	Labour Welfare Fund	1.05	April 2018 to August 2020	15th July and 15th January	-
Professional Tax Acts of respective states	Professional Tax	8.67	April 2018 to August 2020	15th of next month from the end of the quarter	-

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

Name of the Statute	Nature of dues	Amount (in Lakhs) *	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax Demand	1,401.63	September 2011 to March 2016	Allahabad High Court
Finance Act, 1994	Service tax demand including Penalty	11.19	April, 2016 to June, 2017	Noida Commissioner of Appeals
Central Sales Tax Act, 1956	Sales Tax	577.01	FY 2016-17	Appellate Deputy Commissioner (CT), Tirupati, Andhra Pradesh
Andhra Pradesh Tax on Entry of Goods into Local Areas Ordinance, 2001	Entry Tax	63.19	FY 2016-17	Andhra Pradesh High Court, Amaravathi
Himachal Pradesh Value Added Tax, 2005	Penalty for delayed payment of tax	70.04	FY 2013-14	Assessing Authority, Una District
Himachal Pradesh Value Added Tax, 2005	Penalty for delayed payment of tax	19.48	FY 2012-13	Assessing Authority, Una District
Income Tax Act, 1961	Income Tax	3,712.33	Assessment year 2014-15	CIT (A), Palampur
Income Tax Act, 1961	Income Tax	272.64	Assessment year 2013-14	Income Tax Appellate Tribunal, Chandigarh
Income Tax Act, 1961	Income Tax u/s 201(1) including interest	373.09	Assessment year 2013-14	Commissioner of Income Tax (Appeals)
Building and Other Construction Workers Act, 1996	Labour cess on construction of MP Plant	61.11	2015-16 & 2016-17	-

\*Figures after adjustment of amount paid under protest

- (viii) On the basis of our examination of the books of accounts and records and in our opinion, there is no default in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) In our opinion, and according to the explanation and information given to us the company did not raise any money by way of initial public offer or further public offer or term loan and money raised by the debt instrument has been applied for the purpose for which they were obtained.
- (x) In our opinion, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the records of the Company and in our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where

applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

- (xiv) Based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) Based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

**Sandeep Dahiya**  
Partner

Date: 25 June 2021  
Place: New Delhi

Membership No. 505371  
UDIN: 21505371AAAAON2302

# ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

of even date on the standalone financial statements of Inox Wind Limited

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

We have audited the internal financial controls over financial reporting of Inox Wind Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management’s Responsibility for Internal Financial Controls

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

## Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 standalone financial statements, whether due to fraud or error.

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

## Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Sandeep Dahiya**  
Partner

Date: 25 June 2021  
Place: New Delhi

Membership No. 505371  
UDIN: 21505371AAAAON2302

# Standalone Balance Sheet

as at 31 March 2021

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	40,743.66	43,202.37
(b) Capital WIP/Intangible assets under development		257.32	698.18
(c) Intangible assets	6	1,948.87	2,399.29
(d) Financial assets			
(i) Investments			
(a) Investments in subsidiary	7	39,472.36	38,437.56
(b) Other investments	8	-	-
(ii) Loans	9	248.41	148.41
(iii) Other non-current financial assets	10	120.72	1.66
(e) Deferred tax assets (net)	22	31,001.99	20,319.43
(f) Other non-current assets	11	8,689.01	7,613.27
<b>Total non-current assets</b>		<b>1,22,482.34</b>	<b>1,12,820.17</b>
<b>Current assets</b>			
(a) Inventories	12	56,185.21	63,461.66
(b) Financial assets			
(i) Other investments	8	10,284.67	12,028.32
(ii) Trade receivables	13	1,18,327.41	1,36,465.63
(iii) Cash and cash equivalents	14	895.88	398.21
(iv) Bank balances other than (iii) above	15	10,388.75	13,922.81
(v) Loans	9	51,306.20	38,238.30
(vi) Other current financial assets	10	320.40	4,594.78
(c) Income tax assets (net)	16	725.60	931.60
(d) Other current assets	11	50,091.96	30,413.61
<b>Total current assets</b>		<b>2,98,526.08</b>	<b>3,00,454.92</b>
<b>Total assets</b>		<b>4,21,008.42</b>	<b>4,13,275.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	22,191.82	22,191.82
(b) Other equity	18	1,36,680.55	1,56,248.72
<b>Total equity</b>		<b>1,58,872.37</b>	<b>1,78,440.54</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	19,738.26	47.19
(ii) Other non-current financial liabilities	20	182.67	182.67
(b) Provisions	21	897.10	637.65
(c) Other non-current liabilities	23	1,161.30	1,193.96
<b>Total non-current liabilities</b>		<b>21,979.33</b>	<b>2,061.47</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	63,371.87	51,014.86
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small		123.65	118.48
b) total outstanding dues of creditors other than micro enterprises and small enterprises		57,875.27	65,074.86
(iii) Other current financial liabilities	20	19,711.58	17,563.37
(b) Other current liabilities	23	98,950.57	98,757.21
(c) Provisions	21	123.78	244.30
<b>Total current liabilities</b>		<b>2,40,156.72</b>	<b>2,32,773.08</b>
<b>Total equity and liabilities</b>		<b>4,21,008.42</b>	<b>4,13,275.09</b>

The accompanying notes (1 to 56) are an integral part of the standalone financial statements

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**
**Partner**

Membership No 505371

UDIN: 21505371AAAA0N2302

**For and on behalf of the Board of Directors**
**Devansh Jain**
**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**
**Chief Executive Officer**
**Deepak Banga**
**Company Secretary**
**Vineet Valentine Davis**
**Whole-time Director**

DIN: 06709239

**Narayan Lodha**
**Chief Financial Officer**

 Place : New Delhi  
 Date : 25 June 2021

 Place : Noida  
 Date : 25 June 2021

# Standalone Statement of Profit and Loss

for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Notes	2020-2021	2019-2020
<b>Revenue</b>			
Revenue from operations	26	50,405.42	52,767.57
Other income	27	11,632.24	6,280.43
<b>Total Revenue (I)</b>		<b>62,037.66</b>	<b>59,048.00</b>
<b>Expenses</b>			
Cost of materials consumed	28	28,185.17	18,036.59
Purchase of Stock-in-Trade		14,041.90	24,469.68
EPC, O&M and Common infrastructure facility expense	29	2,614.70	3,879.42
Changes in inventories of finished goods and work-in-progress	30	3,109.90	(1,828.64)
Employee benefits expense	31	6,792.50	6,513.83
Finance cost	32	17,155.82	15,226.18
Depreciation and amortisation expense	33	3,891.66	4,066.98
Other expense	34	16,914.44	23,572.63
<b>Total expenses (II)</b>		<b>92,706.09</b>	<b>93,936.67</b>
<b>Profit/(Loss) before tax (I-II=III)</b>		<b>(30,668.43)</b>	<b>(34,888.67)</b>
<b>Tax expense</b>	40		
Current tax		-	-
MAT credit entitlement		-	-
Deferred tax		(10,688.74)	(12,177.49)
Taxation pertaining to earlier years		(400.00)	-
<b>Total tax expense (IV)</b>		<b>(11,088.74)</b>	<b>(12,177.49)</b>
<b>Profit/(Loss) for the year (III-IV=V)</b>		<b>(19,579.69)</b>	<b>(22,711.18)</b>
<b>Other Comprehensive income</b>			
<u>A Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		17.71	38.53
Tax on above		(6.19)	(13.47)
<u>B Items that will be reclassified to profit or loss</u>			
Gains and (loss) on effective portion of hedging instruments in cash flow hedge		-	81.96
Tax on above		-	(28.64)
<b>Total Other Comprehensive income (VI)</b>		<b>11.52</b>	<b>78.38</b>
<b>Total Comprehensive income for the year (V + VI)</b>		<b>(19,568.17)</b>	<b>(22,632.80)</b>
Basic and diluted earnings/(loss) per equity share of ₹ 10 each (in ₹)	35	(8.82)	(10.23)

The accompanying notes (1 to 56) are an integral part of the standalone financial statements

As per our report of even date attached

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

Chartered Accountants  
Firm's Registration No 000472N

**Sandeep Dahiya**

**Partner**

Membership No 505371  
UDIN: 21505371AAAAA0N2302

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

**Devansh Jain**

**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**

**Chief Executive Officer**

**Deepak Banga**

**Company Secretary**

**Vineet Valentine Davis**

**Whole-time Director**

DIN: 06709239

**Narayan Lodha**

**Chief Financial Officer**

Place : New Delhi

Date : 25 June 2021

Place : Noida

Date : 25 June 2021

# Standalone Statement of Cash Flows

for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year after tax	(19,579.69)	(22,711.18)
Adjustments for:		
Tax expense	(11,088.74)	(12,177.49)
Finance costs	17,155.82	15,226.18
Interest income	(4,366.48)	(4,313.72)
Gain on investments carried at FVTPL	(3,002.58)	(2,627.19)
Allowance for expected credit losses	(1,162.58)	16,712.92
Depreciation and amortisation expenses	3,891.66	4,066.98
Unrealised foreign exchange gain (net)	908.66	583.01
Unrealised MTM (gain)/loss on financial assets & derivatives	(154.74)	(467.64)
(Gain)/Loss on sale / disposal of property, plant and equipment	39.48	(75.89)
	<b>(17,359.19)</b>	<b>(5,784.02)</b>
Movements in working capital:		
(Increase)/Decrease in Trade receivables	19,300.80	4,522.59
(Increase)/Decrease in Inventories	7,276.45	(10,627.88)
(Increase)/Decrease in Loans	(100.00)	1.44
(Increase)/Decrease in Other financial assets	4,203.98	(1,129.63)
(Increase)/Decrease in Other assets	(19,844.32)	(17,368.48)
Increase/(Decrease) in Trade payables	(8,103.08)	616.33
Increase/(Decrease) in Other financial liabilities	3,468.37	(32.04)
Increase/(Decrease) in Other liabilities	160.70	63,401.59
Increase/(Decrease) in Provisions	156.64	179.82
	<b>(10,839.65)</b>	<b>33,779.72</b>
<b>Cash generated from operations</b>	<b>(10,383.60)</b>	<b>32,563.97</b>
Income taxes paid	456.05	(1,215.75)
<b>Net cash generated from operating activities</b>	<b>(10,383.60)</b>	<b>32,563.97</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including changes in capital WIP, capital creditors/advances)	(1,885.40)	-
Proceeds from disposal of property, plant and equipment	56.23	2,543.75
Sale/redemption of current investments	2,611.44	4.97
Interest received	5,144.96	4,311.65
Inter corporate deposits given	(54,340.75)	(63,118.04)
Inter corporate deposits received back	41,848.54	49,552.31
Movement in bank deposits	3,231.23	(1,482.45)
	<b>(3,333.75)</b>	<b>(8,187.81)</b>
<b>Net cash generated from/(used in) investing activities</b>	<b>(3,333.75)</b>	<b>(8,187.81)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings-non current	19,900.00	-
Repayment of borrowings	(9,174.54)	(5,502.02)
Proceeds from/(repayment of) current borrowing (net)	12,511.74	(8,105.72)
Finance cost	(9,022.19)	(10,831.87)
	<b>14,215.01</b>	<b>(24,439.61)</b>
<b>Net cash generated from/(used in) financing activities</b>	<b>14,215.01</b>	<b>(24,439.61)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>497.66</b>	<b>(63.45)</b>
Cash and cash equivalents at the beginning of the year	398.21	461.66
<b>Cash and cash equivalents at the end of the year</b>	<b>895.87</b>	<b>398.21</b>

# Standalone Statement of Cash Flows

for the year ended 31 March 2021

## Changes in liabilities arising from financing activities during the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	51,587.84	9,111.84	22,191.82
Cash flows	12,511.74	10,725.46	-
Interest expense	4,051.02	1,294.47	-
Interest paid	(3,380.08)	(653.87)	-
Closing balance	<b>64,770.52</b>	<b>20,477.90</b>	<b>22,191.82</b>

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

(₹ in Lakhs)

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

Notes:

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

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**

**Partner**

Membership No 505371

UDIN: 21505371AAAAA0N2302

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

**Devansh Jain**

**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**

**Chief Executive Officer**

**Deepak Banga**

**Company Secretary**

**Vineet Valentine Davis**

**Whole-time Director**

DIN: 06709239

**Narayan Lodha**

**Chief Financial Officer**

Place : New Delhi

Date : 25 June 2021

Place : Noida

Date : 25 June 2021

## Statement of Changes in Equity

for the year ended 31 March 2021

### A. Equity share capital

	(₹ in Lakhs)
<b>Balance as at 1 April 2019</b>	<b>22,191.82</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2020</b>	<b>22,191.82</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2021</b>	<b>22,191.82</b>

### B. Other equity

Particulars	Reserves and surplus		Items of others Comprehensive income	Total
	Securities premium reserve	Retained earnings	Cash flow hedge reserve	
	(₹ in Lakhs)			
<b>Balance as at 1 April 2019</b>	<b>64,586.03</b>	<b>1,14,357.30</b>	<b>(53.32)</b>	<b>1,78,890.01</b>
Additions during the year:				
Profit/(Loss) for the year	-	(22,711.18)	-	(22,711.18)
Impact on account of adoption of Ind As 116 (see Note 48)	-	(8.49)	-	(8.49)
Other comprehensive income for the year, net of income tax (*)	-	25.06	53.32	78.38
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(22,694.61)</b>	<b>53.32</b>	<b>(22,641.29)</b>
<b>Balance as at 31 March 2020</b>	<b>64,586.03</b>	<b>91,662.69</b>	<b>-</b>	<b>1,56,248.72</b>
Additions during the year:				
Profit/(Loss) for the year	-	(19,579.69)	-	(19,579.69)
Other comprehensive income for the year, net of income tax (*)	-	11.52	-	11.52
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(19,568.17)</b>	<b>-</b>	<b>(19,568.17)</b>
<b>Balance as at 31 March 2021</b>	<b>64,586.03</b>	<b>72,094.52</b>	<b>-</b>	<b>1,36,680.55</b>

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

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

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**
**Partner**

Membership No 505371

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**Devansh Jain**
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**Whole-time Director**

DIN: 06709239

**Narayan Lodha**
**Chief Financial Officer**

Place : New Delhi

Date : 25 June 2021

Place : Noida

Date : 25 June 2021

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 1. Company information

Inox wind Limited ("the Company") is a public limited company incorporated in India. The Company is engaged in the business of manufacture and sale of Wind Turbine Generators ("WTGs"). It also provides Erection, Procurement & Commissioning ("EPC"), Operations & Maintenance ("O&M") and Common Infrastructure Facilities services for WTGs and wind farm development services. The area of operations of the Company is within India.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, Inox Renewables Limited and Inox Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below:

- a) Part A - Amalgamation of Inox Renewables Limited into GFL Limited w.e.f. 01 April 2020 and
- b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) and strategic investment of GFL Limited in Inox Wind Limited and other assets and liabilities pertaining to the said business into Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 01 July 2020.

The aforesaid Scheme become effective from February 9, 2021. Upon the said Scheme becoming effective, Inox Wind Limited has become the subsidiary company of Inox Wind Energy Limited w.e.f. 01.07.2020. Its ultimate holding company is Inox Leasing and Finance Limited.

The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

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

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

### 2.1 Statement of Compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian

Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

### 2.2 Basis of Measurement

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 2.3 Basis of Preparation and Presentation

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

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

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

- the asset/liability is expected to be realised/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realised/settled within twelve months after the reporting period

- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

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

These financial statements were authorized for issue by the Company's Board of Directors on 25 June 2021.

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

Name of the investee	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights
Inox Wind Infrastructure Services Limited	India	98.41%
Waft Energy Private Limited	India	100%

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

## 3. Significant Accounting Polices

### 3.1 Revenue recognition

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.
- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:

Revenue from EPC is recognized point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from wind farm development is recognized point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance

obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

### Use of significant judgments in revenue recognition

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

## 3.2 Government Grants

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

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

## 3.3 Leases

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

### 3.3.1 The Company as lessee

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangement

in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, the Company recognizes the lease payments as on operating expenses on a straight-line bases over the term of lease.

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

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

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

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

## 3.4 Foreign currency transactions and translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

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

### 3.5 Borrowing costs

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

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

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

### 3.6 Employee benefits

#### 3.6.1 Retirement benefit costs

Recognition and measurement of defined contribution plans:

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

Recognition and measurement of defined benefit plans:

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan

assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

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

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

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

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

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

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.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 3.7 Taxation

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

### 3.7.1 Current tax

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

### 3.7.2 Deferred tax

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

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

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

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

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

### 3.7.3 Presentation of current and deferred tax :

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 Standalone Financial Statements

for the year ended 31 March 2021

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

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

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

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

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

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

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

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

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

### 3.9 Intangible assets

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

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

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

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

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

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

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

## 3.11 Inventories

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

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

Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs

incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty payable thereon, wherever applicable. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 3.12 Provisions and contingencies

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

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

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

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

## 3.13 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### A] Financial assets

#### a) Initial recognition and measurement:

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

#### b) Effective interest method:

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

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

#### c) Subsequent measurement:

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

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

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

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

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

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

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

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

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

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

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

Investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

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

### iii. Financial assets measured at FVTPL:

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

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

### d) Foreign exchange gains and losses

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

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

### e) Derecognition:

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

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

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

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

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

### f) Impairment of financial assets:

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

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

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

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

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

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

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

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

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

### B] Financial liabilities and equity instruments

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

#### i. Equity instruments:-

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

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

#### ii. Financial Liabilities:-

##### a) Initial recognition and measurement :

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

##### b) Subsequent measurement:

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

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

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

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

#### d) Derecognition of financial liabilities:

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

### 3.14 Derivative financial instruments and hedge accounting

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

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

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

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the

hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

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

#### a) Fair value hedge:

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

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

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

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

#### b) Cash flow hedges

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

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

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

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

### 3.15 Earnings Per Share

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

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

## 4 Critical accounting judgements and use of estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the

revision affects only that period or in the period of revision or future periods if the revision affects both current and future periods.

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

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

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

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

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

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

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

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

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

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

the board of directors of the Company. Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits – see Note 22 and Note 40

- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 36
- Assessment of the status of various legal cases/ claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 21 and Note 41
- Impairment of financial assets – see Note 39

### Recent Pronouncement

On 24th March, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.

### Balance Sheet:

- i) Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

### Statement of profit and loss:

- i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Freehold land	476.70	476.70
Leasehold land	4,205.88	4,370.34
Buildings	16,339.97	16,189.92
Plant and equipment	19,451.60	21,772.09
Furniture and fixtures	126.41	153.31
Vehicles	98.27	195.57
Office equipment	44.83	44.44
<b>Total</b>	<b>40,743.66</b>	<b>43,202.37</b>

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

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Freehold land	476.70	476.70
Leasehold land	4,205.88	-
Buildings	16,198.48	16,048.43
Plant and equipment	19,451.60	21,772.09
Furniture and fixtures	126.41	153.31
Vehicles	98.27	195.57
Office equipment	44.83	44.44
<b>Total</b>	<b>40,602.16</b>	<b>38,690.54</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 5A : Property, plant and equipment

Description of Assets	Land		Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
	Freehold	Leasehold						
<b>Cost or deemed cost:</b>								
<b>Balance as at 1 April 2019</b>	<b>508.82</b>	-	<b>18,930.91</b>	<b>35,116.35</b>	<b>264.48</b>	<b>257.58</b>	<b>226.45</b>	<b>55,304.59</b>
Additions	-	-	-	273.36	0.14	55.06	8.56	337.12
Additions (Impact on account of adoption of Ind AS 116) (see Note 48)	-	4,532.78	185.03	-	-	-	-	4,717.81
Disposals	(32.12)	-	-	(2,557.17)	-	-	-	(2,589.29)
<b>Balance as at 31 March 2020</b>	<b>476.70</b>	<b>4,532.78</b>	<b>19,115.94</b>	<b>32,832.54</b>	<b>264.62</b>	<b>312.64</b>	<b>235.01</b>	<b>57,770.23</b>
Additions	-	-	698.18	78.87	-	-	28.73	805.78
Additions (Impact on account of adoption of Ind AS 116) (see Note 48)	-	-	272.47	-	-	-	-	272.47
Disposals	-	-	-	(42.13)	-	(122.47)	-	(164.60)
<b>Balance as at 31 March 2021</b>	<b>476.70</b>	<b>4,532.78</b>	<b>20,086.59</b>	<b>32,869.28</b>	<b>264.62</b>	<b>190.17</b>	<b>263.74</b>	<b>58,683.88</b>
<b>Accumulated Depreciation:</b>								
<b>Balance as at 1 April 2019</b>	-	-	<b>2,224.03</b>	<b>9,178.22</b>	<b>83.29</b>	<b>84.54</b>	<b>154.57</b>	<b>11,724.65</b>
Depreciation for the year	-	-	658.45	2,485.38	28.02	32.53	36.00	3,240.38
Depreciation for the year (Impact on account of adoption of Ind AS 116) (see Note 48)	-	162.45	43.54	-	-	-	-	205.98
Eliminated on disposal of assets	-	-	-	(603.15)	-	-	-	(603.15)
<b>Balance as at 31 March 2020</b>	-	<b>162.45</b>	<b>2,926.02</b>	<b>11,060.45</b>	<b>111.31</b>	<b>117.07</b>	<b>190.57</b>	<b>14,567.87</b>
Depreciation for the year	-	-	663.53	2,372.34	26.90	28.60	28.34	3,119.71
Depreciation for the year (Impact on account of adoption of Ind AS 116) (see Note 48)	-	164.46	157.07	-	-	-	-	321.53
Eliminated on disposal of assets	-	-	-	(15.11)	-	(53.77)	-	(68.88)
<b>Balance as at 31 March 2021</b>	-	<b>326.91</b>	<b>3,746.62</b>	<b>13,417.68</b>	<b>138.21</b>	<b>91.90</b>	<b>218.91</b>	<b>17,940.23</b>

Description of Assets	Land		Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipment	Total
	Freehold	Freehold						
<b>As at 31 March 2020</b>	<b>476.70</b>	<b>4,370.34</b>	<b>16,189.92</b>	<b>21,772.09</b>	<b>153.31</b>	<b>195.57</b>	<b>44.44</b>	<b>43,202.37</b>
<b>As at 31 March 2021</b>	<b>476.70</b>	<b>4,205.88</b>	<b>16,339.97</b>	<b>19,451.60</b>	<b>126.41</b>	<b>98.27</b>	<b>44.83</b>	<b>40,743.66</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 6 : Intangible assets

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Technical know-how	1,935.57	2,362.20
Software	13.30	37.09
<b>Total</b>	<b>1,948.87</b>	<b>2,399.29</b>

### Details of Intangible Assets

(₹ in Lakhs)

Particulars	Technical know-how	Software	Total
<b>Balance as at 1 April 2019</b>	<b>4,906.84</b>	<b>146.81</b>	<b>5,053.65</b>
Adjustment*	(43.54)	43.54	-
<b>Balance as at 31 March 2020</b>	<b>4,863.30</b>	<b>190.35</b>	<b>5,053.65</b>
Adjustment	-	-	-
<b>Balance as at 31 March 2021</b>	<b>4,863.30</b>	<b>190.35</b>	<b>5,053.65</b>

(₹ in Lakhs)

Particulars	Technical know-how	Software	Total
<b>Balance as at 1 April 2019</b>	<b>1,904.53</b>	<b>129.22</b>	<b>2,033.75</b>
Amortisation expense for the year	596.57	24.04	620.61
<b>Balance as at 31 March 2020</b>	<b>2,501.10</b>	<b>153.26</b>	<b>2,654.36</b>
Amortisation expense for the year	426.63	23.79	450.42
<b>Balance as at 31 March 2021</b>	<b>2,927.73</b>	<b>177.05</b>	<b>3,104.78</b>

(₹ in Lakhs)

Net carrying amount	Technical know-how	Software	Total
<b>As at 31 March 2020</b>	<b>2,362.20</b>	<b>37.09</b>	<b>2,399.29</b>
<b>As at 31 March 2021</b>	<b>1,935.57</b>	<b>13.30</b>	<b>1,948.87</b>

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

## 7 : Investments in Subsidiary

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
<b>a) Financial assets carried at cost</b>		
<b>Investments in equity instruments (unquoted, fully paid)</b>		
Inox Wind Infrastructure Services Limited [12,86,19,927 (as at 31 March 2020: 11,62,12,979) equity shares of ₹ 10 each fully paid up]*#	29,651.70	20,005.00
Waft Energy Private Limited [10,000 (as at 31 March 2020: 10,000) equity shares of ₹ 10 each, fully paid up]	1.00	1.00

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 7 : Investments in Subsidiary (Contd..)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>b) Financial assets carried at FVTPL</b>		
Investments in debentures (unquoted, fully paid up)		
Inox Wind Infrastructure Services Limited- [20,00,000 (as at 31 March 2020: 30,00,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each]*	20,104.33	28,301.38
	<b>49,757.03</b>	<b>48,307.38</b>
Less: Current portion of non-current investment	10,284.67	9,869.82
<b>Total</b>	<b>39,472.36</b>	<b>38,437.56</b>

\*During the year, Inox Wind Infrastructure Services Limited has converted its Illrd tranche of debentures amounting to ₹ 10,000.00 Lakhs into equity at a share price of ₹ 80.60 (Previous year Illrd tranche of debentures amounting to ₹ 10,000.00 Lakhs into equity at a share price of ₹ 17.00).

\*During the year, company has sold 1.59% equity shares (20,47,146 nos of shares) of its 100% Subsidiary Inox Wind Infrastructure Services Limited (IWISL) at a share price of ₹ 80.60 per equity share for total consideration of ₹ 1,650.00 Lakhs. The Company has not lost control as defined in Ind AS 110 over IWISL. The Board of directors of the Company approved the transaction in its meeting held on 29 December 2020.

### 8 : Other Investments

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
<b>Financial assets carried at FVTPL</b>		
<b>i) Investments in debentures (unquoted, fully paid up) (Current portion of non-current investment)</b>		
-In subsidiary Company - 1,000,000 (as at 31 March 2020: 1,000,000) 4% unsecured optionally convertible debentures of ₹ 1,000 each in Inox Wind Infrastructure Services Limited	10,284.67	9,869.82
<b>ii) Investments in mutual funds (unquoted, fully paid up) (face value ₹ 10 each)</b>		
L079B SBI Saving Fund - Regular plan-Growth - Nil (as at 31 March 2020: 6,963,536.73)	-	2,158.50
<b>Total</b>	<b>10,284.67</b>	<b>12,028.32</b>
<b>Total</b>	<b>10,284.67</b>	<b>12,028.32</b>
<b>Total Investments ( non-current and current)</b>	<b>49,757.03</b>	<b>50,465.88</b>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	49,757.03	50,465.88
Aggregate amount of impairment in value of investments	-	-
<b>Category wise investments – as per Ind AS 109 classification:</b>		
Carried at fair value through profit or loss	20,104.33	30,459.88
Carried at cost	29,652.70	20,006.00
<b>Total</b>	<b>49,757.03</b>	<b>50,465.88</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 9 : Loans (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Security deposits	248.41	148.41
<b>Total</b>	<b>248.41</b>	148.41
<b>Current</b>		
<b>Loans to related parties (see Note 37)</b>		
Inter-corporate deposits to related parties	51,306.20	38,238.30
<b>Total</b>	<b>51,306.20</b>	<b>38,238.30</b>

### 10 : Other financial assets (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Non-current bank balances (from Note 15)	120.72	1.66
<b>Total</b>	<b>120.72</b>	1.66
<b>Current</b>		
<b>Other interest accrued</b>	5.65	76.05
Other receivables:		
- From related parties	-	4,203.98
- From others	314.75	314.75
<b>Total</b>	<b>320.40</b>	<b>4,594.78</b>

### 11 : Other assets

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Capital advances	4,202.68	3,292.91
Security deposits with government authorities	146.94	101.77
Prepayments- others	4,339.39	4,218.59
<b>Total</b>	<b>8,689.01</b>	<b>7,613.27</b>
<b>Current</b>		
Advance to suppliers	38,596.93	23,322.70
Advance for expenses	366.58	89.12
Balances with government authorities:		
-Balances in Service tax, VAT & GST Accounts	10,539.40	5,961.68
Prepayments- others	589.05	1,040.11
<b>Total</b>	<b>50,091.96</b>	<b>30,413.61</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 12 : Inventories (at lower of cost or net realisable value)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Raw materials (including goods in transit of ₹ 13,241.24 lakhs , as at 31 March 2020 ₹ 13,286.92 lakhs)	51,593.11	55,831.19
Work-in-progress	2,662.50	3,921.59
Finished goods	1,620.76	3,471.57
Stores and spares	308.84	237.31
<b>Total</b>	<b>56,185.21</b>	<b>63,461.66</b>

#### Note:

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

### 13 : Trade receivables (Unsecured)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
Considered good	1,35,354.63	1,54,655.43
Less: Allowances for expected credit losses	17,027.22	18,189.80
<b>Total</b>	<b>1,18,327.41</b>	<b>1,36,465.63</b>

### 14 : Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balances with banks:		
-in current accounts	110.58	394.60
-in cash credit accounts	784.78	2.24
Cash on hand	0.52	1.37
<b>Total</b>	<b>895.88</b>	<b>398.21</b>

### 15 : Other bank balances

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Bank deposits with original maturity period of more than 3 months but less than 12 months	8,713.88	12,227.51
Bank deposits with original maturity for less than 3 months	1,381.74	734.79
Bank deposits with original maturity for more than 12 months	413.86	962.17
	10,509.48	13,924.47
Less: Amount disclosed under Note 10 - 'Other financial assets Non-current'	120.73	1.66
<b>Total</b>	<b>10,388.75</b>	<b>13,922.81</b>

#### Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 15 : Other bank balances (Contd..)

(₹ in Lakhs)

Particulars	As at	
	31 March 2021	31 March 2020
a) Bank deposit with original maturity for more than 3 months but less than 12 months	8,713.88	12,227.51
b) Bank deposit with original maturity for more than 12 months	413.86	962.17
c) Bank deposit with original maturity for less than 3 months	1,381.74	734.79

### 16 : Income tax assets (net)

(₹ in Lakhs)

Particulars	As at	
	31 March 2021	31 March 2020
Income tax assets (net of provision)	725.60	931.60
<b>Total</b>	<b>725.60</b>	<b>931.60</b>

### 17 : Equity share capital

(₹ in Lakhs)

Particulars	As at	
	31 March 2021	31 March 2020
<b>Authorised capital</b>		
50,00,00,000 (as at 31 March 2020: 50,00,00,000) equity shares of ₹ 10 each	50,000.00	50,000.00
<b>Issued, subscribed and paid up</b>		
22,19,18,226 (as at 31 March 2020: 22,19,18,226) equity shares of ₹ 10 each fully paid up	22,191.82	22,191.82
	<b>22,191.82</b>	<b>22,191.82</b>

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	22,19,18,226	22,191.82	22,19,18,226	22,191.82
<b>Shares outstanding at the end of the year</b>	<b>22,19,18,226</b>	<b>22,191.82</b>	<b>22,19,18,226</b>	<b>22,191.82</b>

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

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

#### (c) Shares held by holding company

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)-(see Note 54)	-	-	12,64,38,669	12,643.87
Inox Wind Energy Limited -(see Note 54)	12,28,73,258	12,287.33	-	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 17 : Equity share capital (Contd..)

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)-(see Note 54)	-	-	12,64,38,669	56.975%
Inox Wind Energy Limited -(see Note 54)	12,28,73,258	55.369%	-	-
Siddho Mal Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Siddhapavan Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Devansh Trademart LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Inox Chemicals LLP	1,00,00,000	4.506%	1,00,00,000	4.506%

## 18 : Other equity

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Securities premium	64,586.03	64,586.03
Cash flow hedge reserve	-	-
Retained earnings	72,094.52	91,662.69
<b>Total</b>	<b>1,36,680.55</b>	<b>1,56,248.72</b>

### 18 (i) Securities premium

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	64,586.03	64,586.03
<b>Balance at the end of the year</b>	<b>64,586.03</b>	<b>64,586.03</b>

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

### 18 (ii) Cash flow hedge reserve

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	-	(53.32)
Other comprehensive income for the year, net of income tax	-	53.32
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 18 (iii) Retained earnings:

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of year	91,662.69	1,14,357.30
Impact on account of adoption of Ind AS 116 (see Note 48)	-	(8.49)
Profit /(Loss) for the year	(19,579.69)	(22,711.18)
Other comprehensive income for the year, net of income tax	11.52	25.06
<b>Balance at the end of the year</b>	<b>72,094.52</b>	<b>91,662.69</b>

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

### 19 : Non Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured loans</b>		
<b>Rupee term loans</b>		
From Banks	-	9,000.36
From Other parties	46.56	111.48
<b>Debentures</b>		
9.5% Redeemable non convertible debentures	20,431.34	-
<b>Total</b>	<b>20,477.90</b>	<b>9,111.84</b>
Less: Amount Disclosed under Note 20 Other financial liabilities		
a) Current maturities	9.34	8,974.95
b) Interest accrued	730.30	89.70
	<b>739.64</b>	<b>9,064.65</b>
<b>Total</b>	<b>19,738.26</b>	<b>47.19</b>

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

### 20 : Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-Current</b>		
Security deposits	182.67	182.67
<b>Total</b>	<b>182.67</b>	<b>182.67</b>
<b>Current</b>		
Current maturities of non-current borrowings (see Note 19)	9.34	8,974.95
Interest accrued but not due		
-on borrowing	2,128.96	696.75
-on advance from customer	10,010.43	3,458.95
Creditors for capital expenditure	1,325.05	1,663.29
Employees dues payables	2,844.56	2,390.75
Expenses payables	456.44	378.68
Other payables to related party	2,936.80	-
<b>Total</b>	<b>19,711.58</b>	<b>17,563.37</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 21 : Provisions

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
<b>Provision for employee benefits (see Note 36)</b>		
Gratuity	529.80	448.96
Compensated absences	367.30	188.69
<b>Total</b>	<b>897.10</b>	<b>637.65</b>
<b>Current</b>		
<b>Provision for employee benefits (see Note 36)</b>		
Gratuity	33.08	26.39
Compensated absences	28.08	155.29
<b>Other provisions - see Note 41</b>		
Disputed service tax liabilities	32.19	32.19
Disputed sales tax liabilities (net of payments)	30.43	30.43
<b>Total</b>	<b>123.78</b>	<b>244.30</b>

Particulars	(₹ in Lakhs)	
	Service tax	Sales tax
Balance as at 31 March 2019	32.19	30.43
Balance as at 31 March 2020	32.19	30.43
Balance as at 31 March 2021	32.19	30.43

### 22 : Deferred tax balances

#### Year ended 31 March 2021

Deferred tax assets/(liabilities) in relation to:

Particulars	(₹ in Lakhs)				
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(7,052.04)	409.60	-	-	(6,642.44)
Government grant-Deferred income	672.27	(222.53)	-	-	449.74
Allowance for expected credit losses	6,356.28	2,611.39	-	-	8,967.67
Defined benefit obligations	286.31	54.73	(6.19)	-	334.85
Effects of measuring investments at fair value	836.85	(587.62)	-	-	249.23
Unabsorbed business loss	10,761.28	8,605.21	-	-	19,366.49
Other deferred tax assets	1,017.26	(229.08)	-	-	788.18
Other deferred tax liabilities	0.02	(0.02)	-	-	(0.00)
Lease Liability	16.09	47.06	-	-	63.15
	<b>12,894.31</b>	<b>10,688.74</b>	<b>(6.19)</b>	<b>-</b>	<b>23,576.87</b>
MAT credit entitlement	7,425.12	-	-	-	7,425.12
<b>Total</b>	<b>20,319.43</b>	<b>10,688.74</b>	<b>(6.19)</b>	<b>-</b>	<b>31,001.99</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 22 : Deferred tax balances (Contd..)

Year ended 31 March 2020

Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

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

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

### 23 : Other liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Deferred income arising from government grants	929.55	933.59
"Deferred liability for lease ( Impact on account of adoption of Ind AS 116) (see Note 48)"	195.36	168.53
Income received in advance	36.39	91.84
<b>Total</b>	<b>1,161.30</b>	<b>1,193.96</b>
<b>Current</b>		
Advances received from customers	96,624.75	95,488.09
Statutory dues and taxes payable	1,817.26	2,871.66
Deferred income arising from government grants	357.49	357.49
Deferred liability for lease ( Impact on account of adoption of Ind AS 116) (see Note 48)	151.07	39.97
<b>Total</b>	<b>98,950.57</b>	<b>98,757.21</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 24 : Current borrowings

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
<b>From Banks</b>		
Foreign currency short term loan:		
- Supplier credit	12,032.77	4,891.58
Rupee loans:		
- Working capital demand loans	15,365.95	16,959.63
- Cash credit	9,991.46	16,328.41
- Over Draft	3,536.20	-
- Others	-	1,033.45
<b>From Financial institutions</b>		
- Others	3,000.00	-
<b>Unsecured</b>		
<b>From related parties</b>		
Inter-corporate deposits from holding company	19,844.14	12,374.77
Loan from Director	1,000.00	-
	<b>64,770.52</b>	<b>51,587.84</b>
Less: Amount Disclosed under Note 20 Other financial liabilities:		
Interest accrued	1,398.65	572.98
<b>Total</b>	<b>63,371.87</b>	<b>51,014.86</b>

Inter Corporate Deposits are unsecured, repayable on demand and carries interest rate in the range of @7% to 7.50%.

Loan from director is unsecured , repayable on demand and carries no interest.

For terms of repayment and securities etc. of secured borrowings see Note 51 (b)

### 25 : Trade Payables

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	123.65	118.48
-Total outstanding dues of creditors other than micro enterprises and small enterprises	57,875.27	65,074.86
<b>Total</b>	<b>57,998.92</b>	<b>65,193.34</b>

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Principal amount due to suppliers under MSMED Act at the year end	123.65	118.48
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	22.11	30.73
Payment made to suppliers (other than interest) beyond the appointed date during the year	35.97	109.35
Interest paid to suppliers under section 16 of MSMED Act during the year	Nil	Nil
Interest due and payable to suppliers under MSMED Act for payments already made.	3.77	1.59
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	213.74	187.86

**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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 26 : Revenue from Operations

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Sale of products	47,267.80	35,542.80
Sale of services	2,614.70	3,879.41
Other operating revenue	522.92	13,345.36
<b>Total</b>	<b>50,405.42</b>	<b>52,767.57</b>

### 27 : Other Income

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
<b>Interest Income</b>		
<b>Interest income calculated using the effective interest method:</b>		
On fixed deposits with banks	578.59	1,022.12
On Inter-corporate deposits	3,746.37	3,215.11
<b>Other interest income:</b>		
On Income tax refunds	34.73	70.40
Other interest	6.79	6.09
	<b>4,366.48</b>	<b>4,313.72</b>
<b>Other gains and losses</b>		
Gain on investments carried at FVTPL	3,002.58	2,627.19
Net gain/(losses) on foreign currency transactions and translation	355.97	(1,096.91)
Net gains/(losses) on derivatives	-	(281.68)
Gain on sale / disposal of property, plant and equipment	-	75.89
	<b>3,358.55</b>	<b>1,324.49</b>
<b>Income from sale of Investment</b>		
Sale of Investment	1,296.70	-
	<b>1,296.70</b>	<b>-</b>
<b>Other non operating income</b>		
Government grants - deferred income	4.04	358.46
Insurance claims	58.00	253.82
Other Income	306.66	29.94
Sundry Liability Written back	2,241.81	-
	<b>2,610.51</b>	<b>642.22</b>
<b>Total</b>	<b>11,632.24</b>	<b>6,280.43</b>

Note: Realised gain/(loss) during the year in respect of mutual funds and debentures 99.63 (0.03)

### 28 : Cost of materials consumed

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Raw materials consumed	28,185.17	18,036.59
<b>Total</b>	<b>28,185.17</b>	<b>18,036.59</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 29 : EPC, O&M and Common infrastructure facility expenses

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Erection, Procurement, Commissioning cost	-	1,366.36
Operation & Maintenance Services	2,365.62	2,260.23
Common infrastructure facility services	249.08	252.83
<b>Total</b>	<b>2,614.70</b>	<b>3,879.42</b>

### 30 : Changes in inventories of finished goods and work-in-progress

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Opening Stock</b>		
- Wind turbine generators and components		
Finished goods	3,471.57	2,812.00
Work-in-progress	3,921.59	2,752.52
	<b>7,393.16</b>	<b>5,564.52</b>
<b>Less : Closing Stock</b>		
- Wind turbine generators and components		
Finished goods	1,620.76	3,471.57
Work-in-progress	2,662.50	3,921.59
	<b>4,283.26</b>	<b>7,393.16</b>
<b>(Increase) / decrease in stock</b>	<b>3,109.90</b>	<b>(1,828.64)</b>

### 31 : Employee benefits expense

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Salaries and wages	6,291.14	5,983.42
Contribution to provident and other funds	247.31	276.52
Gratuity	147.49	167.56
Staff Welfare Expenses	106.56	86.33
<b>Total</b>	<b>6,792.50</b>	<b>6,513.83</b>

### 32 : Finance Costs

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	5,345.49	5,899.45
<b>Other interest cost:</b>		
Interest on delayed payment of taxes	149.95	614.26
Other interest	8,372.51	5,059.12
<b>Other borrowing costs</b>	<b>3,049.11</b>	<b>2,839.00</b>
<b>Net foreign exchange loss on borrowings (considered as finance cost)</b>	<b>238.76</b>	<b>814.35</b>
<b>Total</b>	<b>17,155.82</b>	<b>15,226.18</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 33 : Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Depreciation of property, plant and equipment	3,441.24	3,446.37
Amortisation of intangible assets	450.42	620.61
<b>Total</b>	<b>3,891.66</b>	<b>4,066.98</b>

### 34 : Other expense

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Stores and spares consumed	220.13	33.36
Power and fuel	405.97	405.32
Rates and taxes	627.74	42.95
Jobwork & labour charges	1,178.28	1,693.18
Testing charges	67.56	81.89
Crane and equipment hire charges	146.37	183.08
Royalty	-	127.96
Insurance	266.63	244.84
Repairs and maintenance - plant and equipment	26.60	27.75
Repairs and maintenance - buildings	116.33	22.53
Repairs & maintenance - others	64.40	45.75
Rent	13.06	36.52
Travelling & conveyance	509.75	720.71
Legal & professional fees & expenses	623.48	692.75
Freight outward	1,459.31	1,010.28
Directors' sitting fees	5.00	4.80
Bad debts	8,635.76	-
Less: Provision written back	(8,635.76)	-
Allowance for expected credit losses	7,473.18	16,712.92
Loss on sale / disposal of property, plant and equipment	39.49	-
Demurrage and detention charges	773.61	488.55
Business Promotion & Advertisement	26.58	68.21
Miscellaneous expenses	2,870.97	929.28
<b>Total</b>	<b>16,914.44</b>	<b>23,572.63</b>

### 35 : Earnings per share

Particulars	2020-2021	2019-2020
<b>Basic and Diluted earnings per share</b>		
Profit/(loss) for the year (₹ in Lakhs)	(19,579.69)	(22,711.18)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	22,19,18,226	22,19,18,226
Nominal value of each share (in ₹)	10.00	10.00
Basic and Diluted earnings/(loss) per share (in ₹)	(8.82)	(10.23)

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 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 ₹ 245.09 Lakhs (previous year: ₹ 272.17 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 2021 by Charan Gupta Consultants Private Limited, 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.

#### Movement in the present value of the defined benefit obligation are as follows :

(₹ in Lakhs)

Particulars	Gratuity	
	As at	As at
	31 March 2021	31 March 2020
Opening defined benefit obligation	475.35	394.85
Interest cost	31.85	29.27
Current service cost	115.64	138.29
Benefits paid	(42.25)	(48.53)
Actuarial (gain) / loss on obligations	(17.71)	(38.53)
<b>Present value of obligation as at the year end</b>	<b>562.88</b>	<b>475.35</b>

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

(₹ in Lakhs)

Gratuity	As at	As at
	31 March 2021	31 March 2020
Current service cost	115.64	138.29
Interest cost	31.85	29.27
<b>Amount recognised in profit or loss</b>	<b>147.49</b>	<b>167.56</b>
Actuarial (gain)/loss	-	(38.53)
a) arising from changes in financial assumptions	0.62	46.43
b) arising from experience adjustments	(18.33)	(84.97)
<b>Amount recognised in other comprehensive income</b>	<b>(17.71)</b>	<b>(38.53)</b>
<b>Total</b>	<b>129.78</b>	<b>129.03</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 36 : Employee benefits: (Contd..)

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

Gratuity	31-March-2021	31-March-2020
Discount rate	6.69%	6.70%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2012-14) 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, a variation in the expected rate of salary increase of the plan participants will change the plan liability.
- Investment risk-since the scheme is unfunded the Company is not exposed to investment risk.

#### Sensitivity Analysis

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

Particulars	Gratuity	
	2020-21	2019-20
Impact on present value of defined benefit obligation:		
If discount rate is increased by 0.50% (PY 1%)	(30.34)	(50.63)
If discount rate is decreased by 0.50% (PY 1%)	33.23	60.80
If salary escalation rate is increased by 0.50% (PY 1%)	31.86	58.01
If salary escalation rate is decreased by 0.50% (PY 1%)	(29.38)	(49.33)

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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 36 : Employee benefits: (Contd..)

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

Particulars	(₹ in Lakhs)	
	2020-21	2019-20
	<b>Gratuity</b>	
Expected outflow in 1st Year	33.08	26.39
Expected outflow in 2nd Year	34.46	19.54
Expected outflow in 3rd Year	27.50	21.14
Expected outflow in 4th Year	37.19	31.92
Expected outflow in 5th Year	23.61	26.53
Expected outflow in 6th Year onwards	407.04	194.10

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

### C. Other short term and long term employment benefits:

#### Annual leave & short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2021 based on actuarial valuation carried out by using Projected accrued benefit method results increase in liability by ₹ 51.40 lakhs (previous year : decrease in liability by ₹ 21.17 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	(₹ in Lakhs)	
	<b>As at</b>	
	31 March 2021	31 March 2020
Discount rate	6.69%	6.70%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2012-14) Ultimate Mortality Table

### 37 : Related Party Disclosures:

#### (i) Where control exists :

Inox Wind Energy Limited - holding company w.e.f. 01 July 2020 - (see Note 54)

GFL Limited (Earlier known as Gujarat Fluorochemicals Limited ) - holding company upto 30 June 2020- (see Note 54)

Inox Leasing and Finance Limited - ultimate holding company

Inox Wind Infrastructure Services Limited (IWISL) - subsidiary company

Waft Energy Private Limited - subsidiary company

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 37 : Related Party Disclosures: (Contd..)

### Subsidiaries of IWISL -

- |  |  |
|--|--|
| 1. Marut Shakti Energy India Limited                 | 13. Tempest Wind Energy Private Limited                                      |
| 2. Satviki Energy Private Limited                    | 14. Aliento Wind Energy Private Limited                                      |
| 3. Sarayu Wind Power (Tallimadugula) Private Limited | 15. Vuelta Wind Energy Private Limited                                       |
| 4. Vinirrrmaa Energy Generation Private Limited      | 16. Flurry Wind Energy Private Limited                                       |
| 5. Sarayu Wind Power (Kondapuram) Private Limited    | 17. Flutter Wind Energy Private Limited                                      |
| 6. RBRK Investments Limited                          | 18. Sri Pavan Energy Private Ltd (upto 22 May 2020)                          |
| 7. Vasuprada Renewables Private Limited              | 19. Khatiyu Wind Energy Private Limited                                      |
| 8. Ripudaman Urja Private Limited                    | 20. Ravapar Wind Energy Private Limited                                      |
| 9. Suswind Power Private Limited                     | 21. Nani Virani Wind Energy Private Limited                                  |
| 10. Vigodi Wind Energy Private Limited               | 22. Wind Four Renergy Private Limited* (w.e.f. 1 January 2021)               |
| 11. Vibhav Energy Private Limited                    | 23. Resco Global Wind Services Private Limited (incorporated on 21 Feb 2020) |
| 12. Haroda Wind Energy Private Limited               |  |

### Associates of IWISL -

- |                                       |   |
|---------------------------------------|---|
| 1. Wind One Renergy Private Limited   | 4. Wind Four Renergy Private Limited* (upto 31 December 2020) |
| 2. Wind Two Renergy Private Limited   | 5. Wind Five Renergy Private Limited                          |
| 3. Wind Three Renergy Private Limited |   |

## (ii) Other related parties with whom there are transactions during the year

### Key Management Personnel (KMP)

- Mr. Devansh Jain - Whole-time director
- Mr. Chandra Prakash Jain - Non Executive Director (upto 21 October 2019)
- Mr. Kailash Lal Tarachandani - Whole-time director & Chief Executive Officer (as a Whole-time director upto 18 May 2020)
- Mr. Shanti Prasad Jain - Non Executive Director
- Mr. Vineet Valentine Davis - Whole-time director (w.e.f 19 May 2020)
- Mr. Siddharth Jain - Non Executive Director (upto 27 July 2020)
- Ms. Bindu Saxena - Non Executive Director
- Mr. Mukesh Manglik - Non Executive Director (w.e.f. 29 August 2020)
- Mr. V.Sankaranarayanan - Non Executive Director

### Fellow Subsidiaries

- Gujarat Fluorochemicals Limited (GFCL) (Earlier known as Inox Fluorochemicals Limited)
- Inox Renewables Limited (IRL) - Subsidiary of GFL Limited (upto 01 April 2020)- (see Note 54)
- Inox Renewables (Jaisalmer) Limited (IRJL) - Subsidiary of IRL<sup>#</sup>
- Inox Leisure Limited (ILL) - Subsidiary of GFL
- Inox Wind Energy Limited (incorporated 6 March 2020) (Upto 30 June 2020)- (see Note 54)

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

<sup>#</sup>IRJL amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 03 April 2019. The Appointed Date of the Scheme is 01 April 2018.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
<b>(A) Transactions during the year</b>										
<b>Sales</b>										
Gujarat Fluorochemicals Limited	-	-	284.68	-	-	-	-	-	-	284.68
Inox Wind Infrastructure Services Limited	-	12,974.44	-	-	-	-	-	-	-	12,974.44
Inox Renewables Limited	-	-	580.95	-	-	-	-	-	-	580.95
Wind Two Renergy Private Limited	-	-	-	-	304.76	-	-	-	-	304.76
Wind Four Renergy Private Limited	880.95	-	-	-	11,928.57	-	-	-	880.95	11,928.57
Wind Five Renergy Private Limited	-	-	-	-	12,123.81	-	-	-	-	12,123.81
Nani Virani Wind Energy Private Limited	13,608.10	-	-	-	-	-	-	-	13,608.10	-
<b>Total</b>	<b>14,489.05</b>	<b>12,974.44</b>	<b>865.63</b>	<b>-</b>	<b>24,357.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,489.05</b>	<b>38,197.21</b>
<b>Sale of Assets</b>										
Gujarat Fluorochemicals Limited	-	-	2,062.02	-	-	-	-	-	-	2,062.02
<b>Purchase of goods and services</b>										
Inox Wind Infrastructure Services Limited	2,365.62	3,059.62	-	-	-	-	-	-	2,365.62	3,059.62
Inox Renewables Limited	-	-	11,495.24	-	-	-	-	-	-	11,495.24
Inox Wind Energy Limited	9,708.57	-	-	-	-	-	-	-	9,708.57	-
GFL Limited	4,333.33	-	-	-	-	-	-	-	4,333.33	-
Gujarat Fluorochemicals Limited	-	-	1,474.45	-	-	-	-	-	1,474.45	-
<b>Total</b>	<b>16,407.52</b>	<b>3,059.62</b>	<b>11,495.24</b>	<b>1,474.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,881.97</b>	<b>14,554.86</b>
<b>Sales Return</b>										
Inox Renewables Limited	-	-	4,775.24	-	-	-	-	-	-	4,775.24

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
Wind Four Renergy Private Limited	13,403.00	-	-	-	-	-	-	-	13,403.00	-
<b>Total</b>	<b>13,403.00</b>	-	<b>4,775.24</b>	-	-	-	-	-	<b>13,403.00</b>	<b>4,775.24</b>
<b>Interest Income</b>										
Inox Wind Infrastructure Services Limited	3,225.85	3,114.74	-	-	-	-	-	-	3,225.85	3,114.74
-On Inter corporate deposit	1,036.71	1,430.60	-	-	-	-	-	-	1,036.71	1,430.60
-On Debentures	1.21	0.70	-	-	-	-	-	-	1.21	0.70
Waft Energy Private Limited-On Inter corporate deposit	123.77	-	-	-	395.54	99.67	-	-	519.31	99.67
Wind Four Renergy Private Limited	<b>4,387.54</b>	<b>4,546.05</b>	-	-	<b>395.54</b>	<b>99.67</b>	-	-	<b>4,783.08</b>	<b>4,645.71</b>
<b>Total</b>										
<b>Conversion of Debenture into equity Shares</b>										
Inox Wind Infrastructure Services Limited	10,000.00	10,000.00	-	-	-	-	-	-	10,000.00	10,000.00
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>	-	-	-	-	-	-	<b>10,000.00</b>	<b>10,000.00</b>
<b>Interest Expenses</b>										
GFL Limited-On Inter corporate deposit	165.53	884.17	-	-	-	-	-	-	165.53	884.17
Inox Leasing and Finance Limited-On Inter corporate deposit	187.50	29.71	-	-	-	-	-	-	187.50	29.71
Gujarat Fluorochemicals Limited - On Advance	-	-	7,082.69	3,843.27	-	-	-	-	7,082.69	3,843.27
Inox Wind Energy Limited - On Inter corporate deposit	661.43	-	-	-	-	-	-	-	661.43	-
<b>Total</b>	<b>353.03</b>	<b>913.88</b>	<b>7,082.69</b>	<b>3,843.27</b>					<b>8,097.15</b>	<b>4,757.16</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies						Fellow subsidiaries				Associates				Key Management Personnel (KMP)				Total					
	2020-2021		2019-2020		2020-2021		2019-2020		2020-2021		2019-2020		2020-2021		2019-2020		2020-2021		2019-2020		2020-2021		2019-2020	
<b>Reimbursement of expenses paid / payments made on behalf of the Company</b>																								
Gujarat Fluorochemicals Limited	-	-	-	159.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43.72	159.53	
Inox Wind Infrastructure Services Limited	1,297.36	189.26	-	-	-	43.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,297.36	189.26	
Inox Renewables Limited	-	-	-	0.02	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	
RBRK Investments Limited	3.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>1,297.36</b>	<b>189.26</b>	<b>43.72</b>	<b>159.55</b>	<b>43.72</b>	<b>43.72</b>	<b>159.55</b>	<b>0.02</b>	<b>0.02</b>	<b>6.64</b>	<b>7,177.73</b>	<b>7,177.73</b>	<b>6.64</b>	<b>6.64</b>	<b>3.30</b>	<b>3.30</b>	<b>1,344.38</b>	<b>1,344.38</b>	<b>708.18</b>	<b>708.18</b>	<b>54,340.75</b>	<b>63,118.04</b>		
<b>Reimbursement of expenses received / payments made on behalf of the Company</b>																								
Inox Wind Infrastructure Services Limited	675.05	341.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	675.05	341.38	
Inox Wind Energy Limited	18.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.21	-	
GFL Limited	14.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.92	-	
Inox Renewables Limited	-	-	-	38.40	-	-	-	38.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38.40	
<b>Total</b>	<b>708.18</b>	<b>341.38</b>	<b>708.18</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>38.40</b>	<b>708.18</b>	<b>708.18</b>	<b>708.18</b>	<b>708.18</b>	<b>52,228.49</b>	<b>55,934.84</b>		
<b>Inter corporate deposits given</b>																								
Inox Wind Infrastructure Services Limited	52,228.49	55,934.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,228.49	55,934.84	
Waft Energy Private Limited	0.17	5.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.17	5.47	
Wind Four Renergy Private Limited	2,105.45	-	-	-	-	-	-	-	-	6.64	7,177.73	7,177.73	6.64	6.64	-	-	-	-	-	-	-	2,112.09	7,177.73	
<b>Total</b>	<b>54,334.11</b>	<b>55,940.31</b>	<b>54,334.11</b>	<b>55,940.31</b>	<b>55,940.31</b>	<b>55,940.31</b>	<b>55,940.31</b>	<b>55,940.31</b>	<b>55,940.31</b>	<b>6.64</b>	<b>7,177.73</b>	<b>7,177.73</b>	<b>6.64</b>	<b>6.64</b>	<b>6.64</b>	<b>6.64</b>	<b>54,340.75</b>	<b>54,340.75</b>	<b>54,340.75</b>	<b>54,340.75</b>	<b>52,228.49</b>	<b>63,118.04</b>		
<b>Inter-corporate deposit received back</b>																								
Inox Wind Infrastructure Services Limited	41,197.84	49,552.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,197.84	49,552.31	

(₹ in Lakhs)

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
Wind Four Renergy Private Limited	-	-	-	-	650.70	-	-	-	650.70	-
<b>Total</b>	<b>41,197.84</b>	<b>49,552.31</b>	-	-	<b>650.70</b>	-	-	-	<b>41,848.54</b>	<b>49,552.31</b>
<b>Inter-corporate deposit taken</b>										
GFL Limited	-	515.00	-	-	-	-	-	-	-	515.00
Inox Leasing and Finance Limited	-	2,500.00	-	-	-	-	-	-	-	2,500.00
Inox Wind Energy Limited	6,531.00	-	-	-	-	-	-	-	6,531.00	-
<b>Total</b>	<b>6,531.00</b>	<b>3,015.00</b>	-	-	-	-	-	-	<b>6,531.00</b>	<b>3,015.00</b>
<b>Inter-corporate deposit return back</b>										
GFL Limited	-	530.00	-	-	-	-	-	-	-	530.00
<b>Total</b>	-	<b>530.00</b>	-	-	-	-	-	-	-	<b>530.00</b>
<b>Loan from Director</b>										
Devansh Jain	-	-	-	-	-	-	1,000.00	-	1,000.00	-
<b>Total</b>	-	-	-	-	-	-	<b>1,000.00</b>	-	<b>1,000.00</b>	-
<b>Advance received against sale of goods/services</b>										
Gujarat Fluorochemicals Limited	-	-	591.42	70,439.60	-	-	-	-	591.42	70,439.60
<b>Total</b>	-	-	<b>591.42</b>	<b>70,439.60</b>	-	-	-	-	<b>591.42</b>	<b>70,439.60</b>
<b>Rent Paid</b>										
Gujarat Fluorochemicals Limited	-	-	72.39	72.39	-	-	-	-	72.39	72.39
<b>Total</b>	-	-	<b>72.39</b>	<b>72.39</b>	-	-	-	-	<b>72.39</b>	<b>72.39</b>
<b>Guarantee Commission</b>										
Gujarat Fluorochemicals Limited	-	-	373.26	-	-	-	-	-	373.26	-
<b>Total</b>	-	-	<b>373.26</b>	-	-	-	-	-	<b>373.26</b>	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies				Fellow subsidiaries				Associates				Key Management Personnel (KMP)				Total	
	As at 31 March 2021		As at 31 March 2020		As at 31 March 2021		As at 31 March 2020		As at 31 March 2021		As at 31 March 2020		As at 31 March 2021		As at 31 March 2020		As at 31 March 2021	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	
<b>(B) Balance as at the end of the year</b>																		
<b>Amounts payable</b>																		
<b>Advance from customers</b>																		
GFL Limited	-	22,010.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,010.00	
Gujarat Fluorochemicals Limited	-	-	71,031.02	70,439.60	-	-	-	-	-	-	-	-	-	-	71,031.02	70,439.60	-	
Inox Wind Energy Limited	22,010.00	-	-	-	-	-	-	-	-	-	-	-	-	-	22,010.00	-	-	
<b>Total</b>	<b>22,010.00</b>	<b>22,010.00</b>	<b>71,031.02</b>	<b>70,439.60</b>	<b>71,031.02</b>	<b>70,439.60</b>	<b>-</b>	<b>-</b>	<b>93,041.02</b>	<b>92,449.60</b>	<b>92,449.60</b>							
<b>Trade and other payables</b>																		
Inox Renewables Limited	-	-	-	332.52	-	-	-	-	-	-	-	-	-	-	-	-	332.52	
Inox Wind Energy Limited	13,603.08	-	-	-	-	-	-	-	-	-	-	-	-	-	13,603.08	-	-	
Gujarat Fluorochemicals Limited	-	-	1,996.95	-	-	-	-	-	-	-	-	-	-	-	1,996.95	-	-	
Vinirmaa Energy Generation Private Limited	157.00	157.00	-	-	-	-	-	-	-	-	-	-	-	-	157.00	157.00	157.00	
RBRK Investments Limited	3.30	-	-	-	-	-	-	-	-	-	-	-	-	-	3.30	-	-	
Wind Four Renergy Private Limited	98.86	-	-	-	-	-	-	-	-	-	-	-	-	-	98.86	-	-	
Marut Shakti Energy India Limited	360.43	314.37	-	-	-	-	-	-	-	-	-	-	-	-	360.43	314.37	314.37	
<b>Total</b>	<b>14,222.67</b>	<b>471.37</b>	<b>1,996.95</b>	<b>332.52</b>	<b>1,996.95</b>	<b>332.52</b>	<b>-</b>	<b>-</b>	<b>16,219.62</b>	<b>803.89</b>	<b>803.89</b>							
<b>Amounts receivable</b>																		
<b>Trade receivable</b>																		
Gujarat Fluorochemicals Limited	-	-	-	2,470.21	-	-	-	-	-	-	-	-	-	-	-	-	2,470.21	
Inox Wind Infrastructure Services Limited	19,850.05	19,850.05	-	-	-	-	-	-	-	-	-	-	-	-	19,850.05	19,850.05	19,850.05	
Nani Virani Wind Energy Private Limited	5,552.18	-	-	-	-	-	-	-	-	-	-	-	-	-	5,552.18	-	-	

(₹ in Lakhs)

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	(₹ in Lakhs)									
Sri Pavan Energy Private Limited	-	346.00	-	-	-	-	-	-	-	346.00
Wind Two Energy Private Limited	-	-	-	1,525.00	-	1,525.00	-	-	1,525.00	1,525.00
Wind Four Renergy Private Limited	-	-	-	-	-	10,953.13	-	-	-	10,953.13
<b>Total</b>	<b>25,402.23</b>	<b>20,196.05</b>	<b>-</b>	<b>2,470.21</b>	<b>12,478.13</b>	<b>12,478.13</b>	<b>-</b>	<b>-</b>	<b>26,927.23</b>	<b>35,144.38</b>
<b>Other receivable/ Prepayments others</b>										
Inox Wind Infrastructure Services Limited	848.99	8,215.97	-	-	-	-	-	-	848.99	8,215.97
<b>Total</b>	<b>848.99</b>	<b>8,215.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>848.99</b>	<b>8,215.97</b>
<b>Inter-Corporate deposit receivable</b>										
Inox Wind Infrastructure Services Limited	39,187.57	28,156.92	-	-	-	-	-	-	39,187.57	28,156.92
Waft Energy Private Limited	10.21	10.05	-	-	-	-	-	-	10.21	10.05
Wind Four Renergy Private Limited	8,639.13	-	-	-	-	7,177.73	-	-	8,639.13	7,177.73
<b>Total</b>	<b>47,836.91</b>	<b>28,166.97</b>	<b>-</b>	<b>-</b>	<b>7,177.73</b>	<b>7,177.73</b>	<b>-</b>	<b>-</b>	<b>47,836.91</b>	<b>35,344.70</b>
<b>Inter-Corporate deposit payable</b>										
GFL Limited	-	9,485.00	-	-	-	-	-	-	-	9,485.00
Inox Wind Energy Limited	16,016.00	-	-	-	-	-	-	-	16,016.00	-
Inox Leasing and Finance Limited	2,500.00	2,500.00	-	-	-	-	-	-	2,500.00	2,500.00
<b>Total</b>	<b>18,516.00</b>	<b>11,985.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,516.00</b>	<b>11,985.00</b>
<b>Debentures</b>										
Inox Wind Infrastructure Services Limited	20,000.00	30,000.00	-	-	-	-	-	-	20,000.00	30,000.00

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 37 : Related Party Disclosures: (Contd..)

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

Particulars	Holding/subsidiary companies			Fellow subsidiaries			Associates			Key Management Personnel (KMP)			Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	
	(₹ in Lakhs)													
<b>Interest accrued on inter-corporate deposits receivable</b>														
Inox Wind Infrastructure Services Limited	2,987.18	2,803.27	-	-	-	-	-	-	-	-	-	2,987.18	2,803.27	
Waft Energy Private Limited	175	0.63	-	-	-	-	-	-	-	-	-	175	0.63	
Wind Four Renergy Private Limited	480.36	-	-	-	89.70	-	-	-	-	-	-	480.36	89.70	
<b>Total</b>	<b>3,469.29</b>	<b>2,803.90</b>	-	-	<b>89.70</b>	-	-	-	-	-	-	<b>3,469.29</b>	<b>2,893.60</b>	
<b>Interest payable on inter-corporate deposits taken</b>														
GFL Limited	-	363.02	-	-	-	-	-	-	-	-	-	-	363.02	
Inox Wind Energy Limited	1,127.97	-	-	-	-	-	-	-	-	-	-	1,127.97	-	
Inox Leasing and Finance Limited	200.18	26.74	-	-	-	-	-	-	-	-	-	200.18	26.74	
<b>Total</b>	<b>1,328.15</b>	<b>389.77</b>	-	-	-	-	-	-	-	-	-	<b>1,328.15</b>	<b>389.77</b>	
<b>Loan from Directors</b>														
Devansh Jain	-	-	-	-	-	-	-	-	1,000.00	-	-	1,000.00	-	
<b>Total</b>	-	-	-	-	-	-	-	-	<b>1,000.00</b>	-	-	<b>1,000.00</b>	-	
<b>Commission payable</b>														
Devansh Jain	-	-	-	-	-	-	-	-	63.22	63.22	-	63.22	63.22	
<b>Total</b>	-	-	-	-	-	-	-	-	<b>63.22</b>	<b>63.22</b>	-	<b>63.22</b>	<b>63.22</b>	
<b>Interest payable on Advance</b>														
Gujarat Fluorochemicals Limited	-	-	10,010.43	-	3,458.95	-	-	-	-	-	-	10,010.43	3,458.95	
<b>Total</b>	-	-	<b>10,010.43</b>	-	<b>3,458.95</b>	-	-	-	-	-	-	<b>10,010.43</b>	<b>3,458.95</b>	
<b>Interest accrued on debentures</b>														
Inox Wind Infrastructure Services Limited	328.42	469.46	-	-	-	-	-	-	-	-	-	328.42	469.46	
<b>Total</b>	<b>328.42</b>	<b>469.46</b>	-	-	-	-	-	-	-	-	-	<b>328.42</b>	<b>469.46</b>	

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 37 : Related Party Disclosures: (Contd..)

#### (C) Guarantee

- The Company has issued Corporate guarantee of ₹ 10,000.00 lakhs given to financial institution against loan taken by Nani Virani Wind Energy Private Limited.
- GFCL has issued guarantee and provided security in respect of borrowings taken by the Company. The outstanding balances of such borrowings as at 31 March 2021 is ₹ 55,694.00 lakhs

Notes:

- Sales, purchases and service transactions with the related parties are exclusive of taxes and made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- No expense has been recognised for the year ended 31 March 2021 and 31 March 2020 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no guarantees received or provided for any related party receivables or payables.
- Compensation of Key management personnel:

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Remuneration paid:		
Mr. Devansh Jain	92.64	92.64
Mr. Kailash Lal Tarachandani	546.58	147.11
Mr. Vineet Valentine Davis	48.59	-
Sitting fees paid to directors	5.00	4.80
<b>Total</b>	<b>692.81</b>	<b>244.55</b>

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Short term benefits	687.81	239.75
Post employment benefits:*		
Long term employment benefits:*		
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	5.00	4.80
<b>Total</b>	<b>692.81</b>	<b>244.55</b>

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

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. Contribution to provident fund (defined contribution plan) is ₹ 10.33 lakhs (previous year ₹ 8.86 lakhs) included in the amount of remuneration reported above.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 38 : Capital Management

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

The Company's capital management objectives are:

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

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

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Non-current borrowings	19,738.26	47.19
Current maturities of non-current borrowings	9.34	8,974.95
Current borrowings	63,371.87	51,014.86
Interest accrued but not due on borrowings	2,128.96	696.75
Interest accrued but not due on advance from customers	10,010.43	3,458.95
<b>Total Debt</b>	<b>95,258.86</b>	<b>64,192.70</b>
Less: Cash and bank balances (excluding bank deposits kept as lien)	895.88	398.21
<b>Net debt</b>	<b>94,362.98</b>	<b>63,794.49</b>
Total equity	1,58,872.37	1,78,440.54
<b>Net debt to equity %</b>	<b>59.40%</b>	<b>35.75%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2021 and 31 March, 2020.

## 39 : Financial Instruments

### (i) Categories of financial instruments

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
<b>Mandatorily measured as at FVTPL</b>		
- Investments in debentures	20,104.33	28,301.38
- Investments in mutual funds	-	2,158.50
	<b>20,104.33</b>	<b>30,459.88</b>
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	11,405.35	14,322.68
(b) Trade receivables	1,18,327.41	1,36,465.63

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 39 : Financial Instruments (Contd..)

### (i) Categories of financial instruments (Contd..)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
(c) Loans	51,554.61	38,386.71
(d) Other financial assets	320.40	4,594.78
	<b>1,81,607.77</b>	<b>1,93,769.80</b>
<b>Total financial assets</b>	<b>2,01,712.10</b>	<b>2,24,229.68</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	83,119.47	60,037.00
(b) Trade payables	57,998.92	65,193.34
(c) Other financial liabilities	19,884.91	8,771.09
	<b>1,61,003.30</b>	<b>1,34,001.43</b>
<b>Total financial liabilities</b>	<b>1,61,003.30</b>	<b>1,34,001.43</b>

Investment in subsidiaries are classified as equity investments have been accounted at historical cost. Since these are scope out of Ind As 109 for the purpose of measurement, the same have not been disclosed in the table above.

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

### (ii) Financial risk management

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

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

### (iii) Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

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

The Company is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings etc.

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 39 : Financial Instruments (Contd..)

### (iv) (a) Foreign Currency risk management (Contd..)

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Liabilities</b>		
Short Term Borrowings	7,357.91	4,232.70
Trade Payable	9,055.39	7,337.14
<b>USD Total</b>	<b>16,413.30</b>	<b>11,569.84</b>
<b>In EURO</b>		
Short Term Borrowings	4,638.58	658.88
Trade Payable	4,786.81	4,483.83
<b>EURO Total</b>	<b>9,425.40</b>	<b>5,142.71</b>
<b>In Other currencies</b>		
Short Term Borrowings	-	-
Trade Payable	5,529.07	9,401.96
<b>Others Total</b>	<b>5,529.07</b>	<b>9,401.96</b>
<b>Grand Total</b>	<b>31,367.77</b>	<b>26,114.50</b>

The Company does not have any foreign currency monetary assets.

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

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

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

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

Particulars	(₹ in Lakhs)	
	USD impact (net of tax)	
	As at 31 March 2021	As at 31 March 2020
Impact on profit or loss for the year	1,100.35	752.69
Impact on total equity as at the end of the reporting period	1,100.35	752.69

Particulars	(₹ in Lakhs)	
	EURO impact (net of tax)	
	As at 31 March 2021	As at 31 March 2020
Impact on profit or loss for the year	593.00	334.56
Impact on total equity as at the end of the reporting period	593.00	334.56

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 39 : Financial Instruments (Contd..)

### (iv) (b) Foreign Currency sensitivity analysis (Contd..)

Particulars	(₹ in Lakhs)	
	CNY impact (net of tax)	
	As at 31 March 2021	As at 31 March 2020
Impact on profit or loss for the year	342.41	607.40
Impact on total equity as at the end of the reporting period	342.41	607.40

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

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

#### Interest rate sensitivity analysis

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

Out of total borrowings outstanding as at the end of reporting period, floating rate liabilities are ₹ 40,585.87 Lakhs (for the year ended 31 March 2020 : ₹ 38,078.85 Lakhs). If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2021 would decrease/increase by ₹ 132.90 Lakhs net of tax (for the year ended 31 March 2020 decrease/increase by ₹ 123.86 Lakhs net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

### (vi) Other price risks

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

### (vii) Credit risk management

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

#### (a) Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company supplies wind turbine equipments to customers which are installed and commissioned generally by a group company and it involves various activities such as civil work, electrical & mechanical work and commissioning activities. The payment terms with customers are fixed as per industry norms. The above activities lead to certain amounts becoming due for payment on completion of related activities and commissioning. The Company considers such amounts as due only on completion of related milestones. However, the group company has also

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 39 : Financial Instruments (Contd..)

### (a) Trade receivables (Contd..)

long term operation and maintenance contract with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March 2021 is ₹ 69,383.78 lakhs (as at 31 March 2020 of ₹ 82,136.35 lakhs) are due from 5 major customers (5 customers as at 31 March 2020 ) who are reputed parties. All trade receivables are reviewed and assessed for default at each reporting period.

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

Ageing	Expected credit loss (%)	
	2020-21	2019-2020
0-1 Year	1%	1%
1-2 Year	5%	5%
2-3 Year	10%	10%
3-5 Year	15%	15%
Above 5 Year	100%	100%

### Age of receivables

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
0-1 Year	18,248.18	53,200.14
1-2 Year	39,677.96	36,605.29
2-3 Year	30,807.37	26,397.23
3-5 Year	39,554.91	29,723.48
Above 5 Year	7,066.21	8,729.28
<b>Gross trade receivables</b>	<b>1,35,354.63</b>	<b>1,54,655.43</b>

\*Expected credit loss (ECL) not calculated for IWISL balances.

### Movement in the expected credit loss allowance:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance at beginning of the year	18,189.80	1,476.88
Movement in expected credit loss allowance-further allowance	7,473.18	16,712.92
Movement in expected credit loss allowance-Bad Debts	(8,635.76)	-
Balance at end of the year	17,027.22	18,189.80

### 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 39 : Financial Instruments (Contd..)

#### b) Loans and other receivables (Contd..)

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

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

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

#### c) Other financial assets

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

#### Liquidity Risk Management

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

#### Liquidity and interest risk tables

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

Particulars	(₹ in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2021</b>				
Borrowings	63,381.21	19,738.26	-	83,119.47
Trade payables	57,998.92	-	-	57,998.92
Other financial liabilities	19,702.24	182.67	-	19,884.91
	<b>1,41,082.37</b>	<b>19,920.93</b>	<b>-</b>	<b>1,61,003.30</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 39 : Financial Instruments (Contd..)

#### c) Other financial assets (Contd..)

(₹ in Lakhs)				
Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2020</b>				
Borrowings	59,989.81	4719	-	60,037.00
Trade payables	65,193.34	-	-	65,193.34
Other financial liabilities	8,588.42	182.67	-	8,771.09
	<b>1,33,771.57</b>	<b>229.86</b>	<b>-</b>	<b>1,34,001.43</b>

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

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

(₹ in Lakhs)						
Financial assets/ (Financial liabilities)	Expected credit loss (%)		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2021	31 March 2020				
(a) Investment in Mutual funds (see Note 8)	Debt based mutual funds managed by various fund house - aggregate fair value of Nil	Debt based mutual funds managed by various fund house - aggregate fair value of ₹ 2,158.49 Lakhs	Level 2	The use of net asset value (NAV) for mutual fund on the basis of the statement received from inevstee party	NA	NA
(e) Investment in debentures (see Note 7)	Asset - ₹ 20,104.33 Lakhs	Asset - ₹ 28,301.38 Lakhs	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risks of various counter parties.	NA	NA

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

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

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 40 : Income tax recognised in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
<b>Current tax</b>		
In respect of the current year	-	-
Minimum Alternate Tax (MAT) credit	-	-
In respect of the earlier year	(400.00)	-
	<b>(400.00)</b>	<b>-</b>
<b>Deferred tax</b>		
In respect of the current year	(10,688.74)	(12,177.49)
In respect of the earlier year	-	-
	<b>(10,688.74)</b>	<b>(12,177.49)</b>
<b>Total income tax expense recognised in the current year</b>	<b>(11,088.74)</b>	<b>(12,177.49)</b>

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

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Profit before tax	(30,668.43)	(34,888.67)
Income tax expense calculated at 34.944% (2019-2020: 34.944%)	(10,716.78)	(12,191.50)
Tax incentives	-	-
Effect of expenses that are not deductible in determining taxable profits	28.04	14.01
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 34.944%	-	-
	<b>(10,688.74)</b>	<b>(12,177.49)</b>
Taxation pertaining to earlier years	(400.00)	-
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>(11,088.74)</b>	<b>(12,177.49)</b>

The tax rate used for the year ended 31 March 2021 and 31 March 2020 in reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

### 41 : Contingent liabilities:

- (a) Claims against the Company not acknowledged as debts: claims made by vendors - ₹ 2,917.19 lakhs (as at 31 March 2020: ₹ 658.35 lakhs)

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

- (b) In respect of claims made by four (previous year : four ) customers for non-commissioning of WTGs, the amount is not ascertainable.
- (c) Claim against the Company not acknowledged as debts from customers ₹ 1,000 lakhs (as at 31 March 2020 : ₹ 4,050 lakhs)
- (d) Claims made by vendors in National Company Law Tribunal (NCLT) for ₹ 526.00 lakhs (as at 31 March 2020 : ₹ 396.00 lakhs)
- (e) In respect of VAT matters - ₹ 1,298.80 lakhs (as at 31 March 2020: ₹ 59.09 lakhs)

The Company had received orders for the financial years ended 31 March 2013 and 31 March 2014, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 lakhs for delayed payment of VAT against which the Company had filed appeals. These appeals were remanded back to the Assessing Officer for reassessment. However, the Company has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 lakhs and provision for the same was made during the year ended 31 March 2015. After adjusting

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 41 : Contingent liabilities: (Contd..)

the amount of ₹ 23.35 lakhs paid against the demands, the balance amount of ₹ 30.43 lakhs is carried forward as "Disputed sales tax liabilities (net of payments)" in Note 21.

Further during the FY 2020-21, the Company has filed application under Legacy Cases Resolution Scheme 2019 for settlement of pending cases for FY 2013-14 to FY 2016-17 and deposited ₹ 496 Lakhs as a full and final settlement amount towards pending cases. The Company is hopeful that the Legacy Applications will be accepted and no further demand will arise on account of above said matters.

The Company had received demand for the financial year ended 31 March 2017, from Andhra Pradesh VAT on account of Entry Tax and CST demand on the issue of non-deposit of Entry Tax and non-submission of Statutory Forms for ₹ 84.25 lakhs and ₹ 659.46 lakhs respectively. The Company has obtained stay from Hon'ble High Court of Tirupati against entry tax and deposited ₹ 21.06 lakhs as per Stay order. The Company has also filed appeal before the first appellate authority in the matter of CST demand and got stay of demand by depositing ₹ 82.45 Lakhs.

- (f) In respect of Service tax matter - ₹ 1,380.63 lakhs (as at 31 March 2020: ₹ 1,401.63 lakhs)

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

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

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

The Company has received order for the period April to March 2017, in respect of Service Tax, levying demand of ₹ 11.19 lakhs on account of disallowance of exemption of Research & Development cess from payment of service tax in the month of March, 2021 and has preferred an appeal before Noida Commissioner of Appeals.

- (g) In respect of Income tax matters - ₹ 4,358.06 lakhs (31 March 2020: ₹ 4,014.44 Lakhs)

This includes demand for assessment year 2013-14 of ₹ 272.64 lakhs received in the current year by the Company, mainly on account of reduction in the amount of tax incentive claimed, against which the company has obtained favourable order from CIT-Appeals on the substantial issues and filed second appeal before ITAT, Bench, Chandigarh in June 2020 against the issues on which relief has not been granted.

This includes demand for assessment year 2014-15 of ₹ 3,712.33 lakhs received by the Company, mainly on account of Transfer Pricing Adjustment, disallowance of deduction u/s 80IC from sale of scrap, insurance claim, interest income and interest disallowance u/s 36(i) (iii) etc. The assessee company has filed appeal before CIT (Appeals) Palampur, which is pending for disposal.

This includes demand for assessment year 2013-14 of ₹ 373.09 lakhs received in the current year by the Company, mainly on account of less deduction on payment made to subsidiary company u/s 194C, rather it should have been deducted u/s 194J, in the assessment order passed by the Assessing officer. The Company has preferred an appeal before CIT (Appeals) Palampur and hopeful to get favourable judgement in view of supported Judgement of Hon'ble Punjab and Haryana High Court and CBDT instructions.

- (h) In respect of Labour Cess under Building and Other Construction Workers Act, 1966 - ₹ 61.11 lakhs (as at 31 March 2020: ₹ 61.11 Lakhs)

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 41 : Contingent liabilities: (Contd..)

- (i) Corporate Guarantee of ₹ 10,000.00 lakhs given to financial institution against loan taken by Subsidiary Company.

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.

Further, the company may be liable to pay damages/ interest for specific non- performance of contractual obligation. The actual liability on account of these may differ from the provisions already created in the books of accounts and disclosed as contingent liability.

### 42 : Capital and other Commitments

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 645.52 lakhs (as at 31 March 2020: ₹ 1,194.59 lakhs).
- b) Amount of customs duty exemption availed by the Company under EPCG Scheme amounting to ₹ 2,651.54 lakhs (as at 31 March 2020 ₹ 2,651.54 lakhs) for which export obligations are required to be fulfilled within stipulated period. The Company has recognised deferred grant income under EPCG scheme upto the Financial year ending 31 March 2021 amounting to ₹ 1,789.95 lakhs (previous year ₹ 1,465.80 lakhs) against which export obligation is yet to be fulfilled by the Company.
- c) Bank guarantees issued by the Company to its customers and others for ₹ 39,840 lakhs (as at 31 March 2020 : ₹ 51,276 lakhs).

### 43 : Outbreak of COVID-19

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

### 44 : Balance confirmation

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 45 : Note on Advance received from customers

- a. During the Financial year ended 31 March 2020, the Company has signed supply contracts for 125.4 MW Wind power projects of 38 Nos of 3300 KW WTG (Model WT3000DF) in the State of Gujarat with Gujarat Fluorochemicals Limited (GFCL). The Company has received the interest bearing advance of ₹ 71,031.02 lakhs against the contracts. The Company is in process of fulfilment of the terms and conditions of the contracts.
- b. During the Financial year ended 31 March 2020, the Company has signed supply contracts for 250 MW Wind power project of 125 Nos of 2000 KW WTG (model DF/2000/113) with continuum Power Trading (TN) Private Limited. The Company has received the advance of ₹ 3,650.00 lakhs against the contracts. The Company is in process of fulfilment of the terms and conditions of the contracts.

### 46 : Segment information

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

Two extenal customers contributed 10% or more of the total Company's revenue amounting to ₹ 42,271.43 lakhs (as at 31 March 2020: three customers amounting to ₹ 37,026.82 lakhs).

### 47 : Revenue from contracts with customers as per Ind AS 115

#### (A) Disaggregated revenue information

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

#### Reportable segment/Manufacture of Wind Turbine

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Major Product/ Service Lines</b>		
Sale of goods	47,267.80	35,542.80
Sale of services	2,614.70	3,879.41
Others	522.92	13,345.36
<b>Total</b>	<b>50,405.42</b>	<b>52,767.57</b>

#### (B) Contract balances

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 48 : Leases

#### Company as a lessee

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

Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. The Company is not required restate the comparative information.

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

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

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

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April 2019 is 12% p.a.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at 31 March 2019, discounted to the present value at the date of initial application of Ind AS 116, and the value of the lease liability as at 01 April 2019, is on account of exclusion of short term leases.

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

#### (c) Particulars of right-to-use assets and lease liabilities

##### i. Carrying value of right-of-use assets by class of underlying assets

Particulars	(₹ in Lakhs)		
	Buildings	Land-leasehold	Total
On recognition and reclassification as at 01 April 2019	-	-	-
Addition for the year	185.03	4,532.78	4,717.81
Depreciation for the year	43.54	162.45	205.98
<b>Balance as at 31 March 2020</b>	<b>141.49</b>	<b>4,370.34</b>	<b>4,511.83</b>
Addition for the year	272.47	-	272.47
Depreciation for the year	157.07	164.46	321.53
<b>Balance as at 31 March 2021</b>	<b>256.89</b>	<b>4,205.88</b>	<b>4,462.77</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 48 : Leases (Contd..)

#### (c) Particulars of right-to-use assets and lease liabilities (Contd..)

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
On recognition as at 01 April 2019	-	-
<b>Balance as of 01 April 2020</b>	208.50	-
Additions during the year	272.47	246.20
Deletions	-	-
Interest on lease liabilities	57.70	29.55
Payment of lease liabilities	(192.24)	(67.25)
<b>Balance as at 31 March 2020</b>		<b>208.50</b>
<b>Balance as at 31 March 2021</b>	<b>346.43</b>	

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	242.25	67.25
One to five years	132.92	109.78
More than five years	131.47	131.47
<b>Total undiscounted lease liabilities</b>	<b>506.64</b>	<b>308.50</b>

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Interest on lease liabilities	57.70	29.55
Included in rent expenses: Expense relating to short-term leases	13.06	36.52

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Total cash outflow for leases	192.24	67.25

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

## 49 : Payment to Auditors

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Statutory Audit (including consolidated accounts)	25.00	25.00
Limited review	15.00	15.00
Tax audit	11.50	11.50
Certification	4.37	3.41
Out of pocket expenses	1.34	1.65
Taxation matters	6.58	-
<b>Total</b>	<b>63.79</b>	<b>56.56</b>

Note : The above amounts are exclusive of GST

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

### i) Name of the loanee - Inox Wind Infrastructure Services Limited

Particulars	(₹ in Lakhs)	
	31 March 2021	31 March 2020
In respect of Inter-corporate deposit:		
Amount at the year end	39,187.57	28,156.92
Maximum balance during the year	39,553.58	31,638.03
In respect of debentures:		
Amount at the year end	20,000.00	30,000.00
Maximum balance during the year	30,000.00	40,000.00
Investment by the loanee in shares of the Company	Nil	Nil

### ii) Name of the loanee - Waft Energy Private Limited

Particulars	(₹ in Lakhs)	
	31 March 2021	31 March 2020
In respect of Inter-corporate deposit:		
Amount at the year end	10.21	10.05
Maximum balance during the year	10.21	10.05
Investment by the loanee in shares of the Company	Nil	Nil

### iii) Name of the loanee - Wind four Renergy Private Limited

Particulars	(₹ in Lakhs)	
	31 March 2021	31 March 2020
In respect of Inter-corporate deposit:		
Amount at the year end	8,639.13	7,177.73
Maximum balance during the year	8,639.13	7,177.73
Investment by the loanee in shares of the Company	Nil	Nil

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

#### Loans to related parties:

Particulars	(₹ in Lakhs)	
	31 March 2021	31 March 2020
Waft Energy Private Limited	10.21	10.05
Inox Wind Infrastructure Services Limited	39,187.57	28,156.92
Wind Four Renergy Private Limited	8,639.13	7,177.73

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

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

#### Corporate Guarantee to related parties:

Name of the Party	(₹ in Lakhs)	
	31 March 2021	31 March 2020
Nani Virani Energy Private Limited	10,000.00	-

These guarantee are given for general business purposes.

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Non-Convertible Debenture (NCDs) -Debenture Trustee-Catalyst Trusteeship Limited Secured by an unconditional, irrevocable and continuing Corporate guarantee from Gujarat Fluorochemicals Limited.	19,900.00	-
a) First pari passu charge on all the movable fixed assets of the issuer, both present and future, for avoidance of doubt it is hereby clarified that no charge will be created on current assets including book debts, receivable etc:		
b) First pari passu charge on the industrial plot of the issuer situated in the industrial area Basal, Tehsil & District Una Himanchal Pradesh including any building and structures standing, things attached or affixed or embedded there to.		
c) First pari passu charge on non-agricultural land situated at mouje village Rohika Taluka Bavla, in District Ahmedabad, sub District Sholka & Bavla including any building and structures standing, things attached or affixed or embedded there to Carries interest @9.50% p.a. payable semi annually .		
Repayment of Principle Amount:-		
May ,2022	4,900.00	
November, 2022	5,000.00	
May, 2023	5,000.00	
November, 2023	5,000.00	

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 51 (a) : Terms of repayment and securities for non-current borrowings (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Company at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the company at Bavla, Gujarat and First pari passu charges on movable fixed assets of the company at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of INR 3.0 million), carries interest @ 9.10% to 10.38% p.a. and is repayable in 20 quarterly instalments starting from 30 June 2017. The loan has been classified as current liability pursuant to the terms of sanction letter.	-	8,911.19
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly instalments starting from 3 March 2017.	-	56.51
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 9.45% p.a. The loan is repayable in 36 monthly instalments starting from 04 March 2020.	46.56	54.44

### 51 (b) : Terms of repayment and securities for current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Supplier's credit facilities are secured by first pari-passu charge on the current assets second pari-passu on Fixed Assets of the Company, letter of comfort from M/s GFL Limited & M/s Gujarat Fluorochemicals and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.22% to 0.85%.	11,996.49	4,891.58
Working capital demand loans are secured by first pari-passu charge on the current assets, letter of comfort/corporate guarantee from M/s GFL Limited & M/s Gujarat Fluorochemicals Limited and carries interest rate in the range on 9.10% -13.63% p.a.	15,362.52	16,895.63
Cash credit facilities are secured by first pari-passu charge on the current assets, letter of comfort/corporate guarantee from M/s GFL Limited & M/s Gujarat Fluorochemicals Limited and carries interest rate in the range on 9.40% -13.63% p.a.	9,960.66	16,291.64
Over draft facilities are secured by lien on Fixed deposit provided by Gujarat Fluorochemicals Limited and carries interest rate of 9.25% p.a.	3,536.20	-
Other Loan - (Arka Finance) was secured by Unconditional Corporate guarantee from Gujarat Fluorochemicals Ltd., first pari-passu charge over the movable fixed assets of Inox Wind Infrastructure Services Limited, both present and future, ISRA equivalent to 2 month's interest payment to be created in favour of the lender and carries interest rate in the range of 12.50% p.a.	3,000.00	-
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Company and carries interest rate in the range of 8.25%-8.75% p.a.	-	1,033.45

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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2021

### 52 : Corporate Social Responsibility (CSR)

- (a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility is Nil (previous year: ₹ 77.96 Lakhs).
- (b) Amount spent during the year ended 31 March 2021:

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

(Figures in brackets pertain to previous year)

### 53 : Events after the reporting period

During the subsequent period, the Company's subsidiary Inox Wind Infrastructure Services Limited (IWISL) has passed resolution through 18th Extra Ordinary General Meeting dated 24 June 2021 for issuance of 7,44,04,762 fully paid-up equity shares on preferential basis to the Company for consideration other than cash in lieu of the repayment of existing Inter-Corporate Deposits/unsecured loans along with interest and liability on account of providing material/services etc. from time to time aggregating to ₹ 60,000.00 lakhs in such manner and on such other term and conditions, as the board may, in its absolute discretion thinks fit.

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

**54 :** The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, Inox Renewables Limited and Inox Wind Energy Limited (wholly owned subsidiaries of GFL Limited) as detailed below:

- a) Part A - Amalgamation of Inox Renewables Limited into GFL Limited w.e.f. 01 April 2020 and
- b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) and strategic investment of GFL Limited in Inox Wind Limited and other assets and liabilities pertaining to the said business into Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 01 July 2020.

The aforesaid Scheme become effective from 09 February 2021. Upon the said Scheme becoming effective, Inox Wind Limited has become the subsidiary company of Inox Wind Energy Limited w.e.f. 01 July 2020.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

**56 :** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

As per our report of even date attached

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

Chartered Accountants  
Firm's Registration No 000472N

**Sandeep Dahiya**

**Partner**

Membership No 505371  
UDIN: 21505371AAAA0N2302

Place : New Delhi  
Date : 25 June 2021

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

**Devansh Jain**

**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**

**Chief Executive Officer**

**Deepak Banga**

**Company Secretary**

Place : Noida  
Date : 25 June 2021

**Vineet Valentine Davis**

**Whole-time Director**

DIN: 06709239

**Narayan Lodha**

**Chief Financial Officer**

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of **Inox Wind Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Inox Wind Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2021, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities

in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

1. We draw attention to Note 42 of the Consolidated Financial Statement which describes the management's assessment of the impact of the outbreak of Covid-19 on property plant & equipment, revenue, trade receivables, advances, investments and other assets. The management believes that no adjustments are required in the consolidated financial statements as there is no impact in the current financial year. However, in view of highly uncertain economic environment and its likely effect on future revenues due to Covid-19, a definitive assessment of the impact on the subsequent years is dependent upon circumstances as they evolve.
2. We draw attention to Note 43 of the Consolidated Financial Statement which describes that the group have a system of obtaining periodic confirmation of balances from various parties (other than disputed parties). The External Balance Confirmations were sent to banks and parties and certain party's balances are subject to confirmation / reconciliation. Adjustments, if any will be accounted for on confirmation / reconciliation of the same, which in the opinion of the management will not have a material impact.

Our report is not modified in respect of above matters.

### Key Audit Matters

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

### The Key audit Matters

#### Litigation Matters

The Group has certain significant pending legal proceedings with Judicial/Quasi-Judicial for various complex matters with contractor/ transporter, customer and other parties, continuing from earlier years. Further, the group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Note 40 of the consolidated financial statements.

### How our audit addressed the key audit matter

Our audit procedures related to litigation matters include the following:

- Assessed the management's position through discussions with the in-house legal expert and external legal opinions obtained by the Group (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss.
- Discussed with the management on the development in these litigations during the year ended March 31, 2021.

**The Key audit Matters**

Due to complexity involved in these litigation matters, management’s judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter

**Alternate audit procedure carried out in light of COVID– 19 outbreaks**

Due to the outbreak of COVID-19 pandemic, the consequent lockdown/curfew and travel restrictions imposed by the Government/local administration during the audit period, the audit processes could not be carried out physically at the Group’s premises.

The statutory audit was conducted via making arrangements to provide requisite documents/ information through electronic medium as an alternative audit procedure.

We have identified such alternative audit procedure as a key audit matter

**How our audit addressed the key audit matter**

- Rolled out of enquiry letters to the Group’s legal counsel and noted the responses received.
- Assessed the responses received from Group’s legal counsel by engaging legal experts.
- Assessed the objectivity, independence and competence of the Group’s legal counsel involved in the process and legal experts engaged by us.
- Reviewed the disclosures made by the Group in the Consolidated Financial Statements in this regard.

As a part of alternative audit procedure, the Group has made available the following information/ records/ documents/ explanations to us through e-mail and remote secure network of the Group: -

- a) Scanned copies of necessary records/documents deeds, certificates and the related records made available electronically through e-mail or remote secure network of the Group; and
- b) By way of enquiries through video conferencing, dialogues and discussions over phone, e-mails and similar communication channels.

It has also been represented by the management that the data and information provided electronically for the purpose of our audit are correct, complete, reliable and are directly generated from the accounting system of the Group, extracted from the records and files, without any further manual modifications so as to maintain its integrity, authenticity, readability and completeness. In addition, based on our review of the various internal audit reports/inspection reports, nothing has come to our knowledge that make us believe that such alternate audit procedure would not be adequate.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies

included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

#### Other Matters

The consolidated financial statements include the Group's share of net loss of ₹ 2,643.35 Lakhs for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of four associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

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

#### Report on Other Legal and Regulatory Requirements

1. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associates, as noted in the other matters paragraph, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associates, as noted in the Other matters paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates— Refer Note 40 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts

including derivative contracts – Refer Note 38 to the consolidated financial statements in respect of such items as it relates to the Group, and its associates.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and associate companies incorporated in India.

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

**Sandeep Dahiya**  
Partner

Date: 25 June 2021  
Place: New Delhi

Membership No. 505371  
UDIN: 21505371AAAAOM5488

# ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

## of even date on the consolidated financial statements of inox wind limited

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Inox Wind Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditors’ Responsibility

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over

financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### Other Matters

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

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

**Sandeep Dahiya**  
Partner

Date: 25 June 2021  
Place: New Delhi

Membership No. 505371  
UDIN: 21505371AAAAOM5488

# Consolidated Balance Sheet

as at 31 March 2021

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	1,17,194.00	1,20,009.30
(b) Capital WIP/Intangible assets under development		23,029.40	3,336.13
(c) Intangible assets	6	1,950.42	2,767.87
(d) Financial assets			
(i) Investments in associates	7	3,251.00	6,955.00
(ii) Loans	9	1,439.62	1,341.24
(iii) Other non-current financial assets	10	45,813.55	39,493.17
(e) Deferred tax assets (net)	22	40,846.88	26,048.22
(f) Income tax assets (net)	11	1,345.02	2,784.98
(g) Other non-current assets	12	6,612.16	7,134.21
<b>Total non-current assets</b>		<b>2,41,482.05</b>	<b>2,09,870.12</b>
<b>Current assets</b>			
(a) Inventories	13	91,683.50	99,409.77
(b) Financial assets			
(i) Investments	8	-	2,443.97
(ii) Trade receivables	14	1,04,846.01	1,32,232.48
(iii) Cash and cash equivalents	15	12,919.42	730.26
(iv) Bank balances other than (iii) above	16	11,316.36	15,380.18
(v) Loans	9	878.71	8,055.92
(vi) Other current financial assets	10	4,352.38	4,617.54
(c) Income tax assets (net)	11	725.60	931.60
(d) Other current assets	12	78,236.58	55,486.10
<b>Total current assets</b>		<b>3,04,958.56</b>	<b>3,19,287.82</b>
<b>Total assets</b>		<b>5,46,440.61</b>	<b>5,29,157.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	17	22,191.82	22,191.82
(b) Other equity	18	1,09,403.28	1,46,372.21
<b>Equity Attributable to Owners</b>		<b>1,31,595.10</b>	<b>1,68,564.03</b>
(c) Non-Controlling Interest		15.99	(7.43)
<b>Total equity</b>		<b>1,31,611.09</b>	<b>1,68,556.60</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	44,837.16	11,858.30
(ii) Other non-current financial liabilities	20	182.67	182.67
(b) Provisions	21	1,097.97	828.95
(c) Other non-current liabilities	23	4,347.15	1,881.03
<b>Total non-current liabilities</b>		<b>50,464.95</b>	<b>14,750.95</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	98,994.34	72,731.17
(ii) Trade payables	25		
a) total outstanding dues of micro enterprises and small enterprises		190.21	180.13
b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,03,561.40	1,05,285.92
(iii) Other current financial liabilities	20	34,599.09	41,291.72
(b) Other current liabilities	23	1,26,848.49	1,26,065.65
(c) Provisions	21	171.04	285.29
(d) Current tax liabilities (net)	26	-	10.52
<b>Total current liabilities</b>		<b>3,64,364.57</b>	<b>3,45,850.39</b>
<b>Total equity and liabilities</b>		<b>5,46,440.61</b>	<b>5,29,157.94</b>

The accompanying notes (1 to 60) are an integral part of the consolidated financial statements

As per our report of even date attached

**For Dewan P. N. Chopra & Co.**  
Chartered Accountants  
Firm's Registration No 000472N

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

**Sandeep Dahiya**  
Partner  
Membership No 505371  
UDIN: 21505371AAAAOM5488

**Devansh Jain**  
Whole-time Director  
DIN: 01819331

**Vineet Valentine Davis**  
Whole-time Director  
DIN: 06709239

**Kailash Lal Tarachandani**  
Chief Executive Officer

**Narayan Lodha**  
Chief Financial Officer

**Deepak Banga**  
Company Secretary

Place : New Delhi  
Date : 25 June 2021

Place : Noida  
Date : 25 June 2021

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Notes	2020-2021	2019-2020
<b>Revenue</b>			
Revenue from operations	27	71,072.64	76,018.50
Other income	28	7,625.08	1,040.57
<b>Total Revenue (I)</b>		<b>78,697.72</b>	<b>77,059.07</b>
<b>Expenses</b>			
Cost of materials consumed	29	28,185.17	18,036.59
Purchases of stock-in-trade		14,041.90	11,495.16
EPC, O&M, Common infrastructure facility and site development expenses	30	12,574.97	25,767.80
Changes in inventories of finished goods and work-in-progress	31	3,438.68	(2,916.67)
Employee benefits expense	32	9,258.81	9,022.10
Finance costs	33	25,547.62	24,377.06
Depreciation and amortisation expense	34	8,802.75	8,030.08
Other expenses	35	21,199.63	26,251.78
<b>Total Expenses (II)</b>		<b>1,23,049.53</b>	<b>1,20,063.90</b>
Less: Expenditure capitalised		1,086.05	-
<b>Net Expenses (III)</b>		<b>1,21,963.49</b>	<b>1,20,063.90</b>
Share of profit/(loss) of associates (III)		(2,643.35)	23.88
<b>Profit/(loss) Before Tax (I-III+IV)</b>		<b>(45,909.12)</b>	<b>(42,980.95)</b>
<b>Tax Expense</b>			
Current tax	49	-	10.36
MAT credit entitlement		-	(10.36)
Deferred tax		(14,797.00)	(15,041.12)
Taxation pertaining to earlier years		(400.19)	0.24
<b>Total Tax Expense (V)</b>		<b>(15,197.19)</b>	<b>(15,040.88)</b>
<b>Profit/(loss) for the Year (IV-V=VI)</b>		<b>(30,711.93)</b>	<b>(27,940.07)</b>
<b>Other Comprehensive Income</b>			
A <u>Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		40.15	71.41
Tax on above		(14.03)	(24.96)
B <u>Items that will be reclassified to profit or loss</u>			
Gains/(loss) on effective portion of hedging instruments in a cash flow hedge		-	81.96
Tax on above		-	(28.64)
<b>Total Other Comprehensive Income (VII)</b>		<b>26.12</b>	<b>99.77</b>
<b>Total Comprehensive Income for the Year (VI+VII)</b>		<b>(30,685.81)</b>	<b>(27,840.30)</b>
Profit for the year attributable to:			
- Owners of the Company		(30,556.01)	(27,971.16)
- Non-controlling interests		(155.92)	31.09
		<b>(30,711.93)</b>	<b>(27,940.07)</b>
<b>Other comprehensive income for the year attributable to:</b>			
- Owners of the Company		26.15	99.77
- Non-controlling interests		(0.03)	-
		26.12	99.77
<b>Total comprehensive income for the year attributable to:</b>			
- Owners of the Company		(30,529.86)	(27,871.39)
- Non-controlling interests		(155.95)	31.09
		<b>(30,685.81)</b>	<b>(27,840.30)</b>
Basic and diluted earnings/(loss) per equity share of ₹10 each (in ₹)	36	(13.84)	(12.59)

The accompanying notes (1 to 60) are an integral part of the consolidated financial statements

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**

Partner

Membership No 505371

UDIN: 21505371AAAAOM5488

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

Whole-time Director

DIN: 01819331

**Kailash Lal Tarachandani**

Chief Executive Officer

**Deepak Banga**

Company Secretary

**Vineet Valentine Davis**

Whole-time Director

DIN: 06709239

**Narayan Lodha**

Chief Financial Officer

Place : New Delhi  
Date : 25 June 2021Place : Noida  
Date : 25 June 2021

# Consolidated Cash Flow Statement

for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year after tax	<b>(30,711.93)</b>	<b>(27,940.07)</b>
Adjustments for:		
Tax expense	(15,197.19)	(15,040.88)
Finance costs	25,522.36	24,377.06
Interest income	(1,213.19)	(1,443.94)
Gain on investments carried at FVTPL	(113.53)	(162.37)
Share of (profit)/loss of associates	2,643.35	(23.88)
Bad debts, remissions and liquidated damages	1,364.81	-
Allowance for expected credit losses	833.45	18,738.66
Depreciation and amortisation expense	8,802.75	8,030.08
Unrealised foreign exchange gain (net)	908.66	583.01
Unrealised MTM (gain) on financial assets & derivatives	(154.74)	(467.64)
(Gain)/Loss on sale / disposal of property, plant and equipment	59.69	(75.89)
	<b>(7,255.51)</b>	<b>6,574.14</b>
Movements in working capital:		
(Increase)/Decrease in Trade receivables	17,523.14	(3,710.32)
(Increase)/Decrease in Inventories	7,913.67	(5,221.81)
(Increase)/Decrease in Loans	(98.38)	1.44
(Increase)/Decrease in Other financial assets	(1,502.15)	(7,332.04)
(Increase)/Decrease in Other assets	(22,405.53)	(23,940.57)
Increase/(Decrease) in Trade payables	3,589.00	4,000.83
Increase/(Decrease) in Other financial liabilities	(15,327.57)	27,760.19
Increase/(Decrease) in Other liabilities	4,226.64	77,333.20
Increase/(Decrease) in Provisions	284.22	228.06
	<b>(13,052.47)</b>	<b>75,693.12</b>
<b>Cash generated from operations</b>	<b>(13,052.47)</b>	<b>75,693.12</b>
Income taxes paid	1,896.04	(2,399.33)
<b>Net cash generated from operating activities</b>	<b>(11,156.43)</b>	<b>73,293.79</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (including changes in capital WIP, capital creditors/advances)	(12,038.69)	(29,593.36)
Proceeds from disposal of property, plant and equipment	56.23	2,543.75
Purchase of current investments (Mutual Fund)	-	(133.00)
Sale/redemption of current investments	2,910.81	4.97
Sale/(Purchase) of subsidiaries & associates	(735.30)	-
Interest received	1,177.19	2,408.15
Inter corporate deposits given	(248.16)	(7,853.57)
Inter corporate deposits received back	650.70	-
Movement in bank deposits	3,368.04	(1,951.08)
	<b>(4,859.18)</b>	<b>(34,574.15)</b>
<b>Net cash generated from/(used in) investing activities</b>	<b>(4,859.18)</b>	<b>(34,574.15)</b>
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings	50,687.78	3,744.00
Repayment of non-current borrowings	(33,830.70)	(19,550.75)
Proceeds from/(repayment of) short term borrowings (net)	27,509.54	(3,568.36)
Finance Costs	(16,154.10)	(19,139.54)
	<b>28,212.52</b>	<b>(38,514.65)</b>
<b>Net cash generated from/(used in) financing activities</b>	<b>28,212.52</b>	<b>(38,514.65)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>12,196.91</b>	<b>205.00</b>

# Consolidated Cash Flow Statement

for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Cash and cash equivalents at the beginning of the year	730.26	525.26
Adjustment of consolidation	5.62	-
Eliminated on disposal of subsidiary	(13.37)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>12,919.42</b>	<b>730.26</b>

## Changes in liabilities arising from financing activities during the month 31 March 2021

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	73,784.95	40,096.87	22,191.82
Cash flows	27,509.54	16,857.08	-
Interest expense	6,512.84	6,166.41	-
Interest paid	(5,848.57)	(4,996.81)	-
Consolidation adjustment.	(414.77)	-	-
<b>Closing balance</b>	<b>1,01,543.99</b>	<b>58,123.55</b>	<b>22,191.82</b>

## Changes in liabilities arising from financing activities during the month 31 March 2020

(₹ in Lakhs)

Particulars	Current borrowings	Non-current borrowings	Equity Share Capital
Opening balance	76,259.41	55,744.56	22,191.82
Cash flows	(3,451.68)	(15,806.75)	-
Interest expense	8,242.92	5,188.76	-
Interest paid	(7,265.70)	(5,760.65)	-
Impact of exchange fluctuation	-	730.95	-
<b>Closing balance</b>	<b>73,784.95</b>	<b>40,096.87</b>	<b>22,191.82</b>

Note:

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

The accompanying notes (1 to 60) are an integral part of the consolidated financial statements

As per our report of even date attached

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

Chartered Accountants  
Firm's Registration No 000472N

**Sandeep Dahiya**

**Partner**

Membership No 505371  
UDIN: 21505371AAAAAOM5488

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

**Devansh Jain**

**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**

**Chief Executive Officer**

**Deepak Banga**

**Company Secretary**

**Vineet Valentine Davis**

**Whole-time Director**

DIN: 06709239

**Narayan Lodha**

**Chief Financial Officer**

Place : New Delhi  
Date : 25 June 2021

Place : Noida  
Date : 25 June 2021

# Statement of Changes in Equity

for the year ended 31 March 2021

## A. EQUITY SHARE CAPITAL

	(₹ in Lakhs)
<b>Balance as at 1 April 2019</b>	<b>22,191.82</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2020</b>	<b>22,191.82</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2021</b>	<b>22,191.82</b>

## B. OTHER EQUITY

Particulars	Reserves & surplus				Items of other comprehensive income	Non-Controlling Interests	Total
	Securities premium	Debenture Redemption Reserve	Retained earnings	General Reserve	Cash flow hedge reserve		
<b>Balance as at 1 April 2019</b>	<b>64,534.80</b>	<b>1,800.00</b>	<b>1,08,013.36</b>	-	<b>(53.32)</b>	<b>(38.51)</b>	<b>1,74,256.33</b>
Additions during the year:							
Profit/(loss) for the year	-	-	(27,971.16)	-	-	31.08	(27,940.08)
Impact on account of adoption of Ind AS 116 (see Note 50)	-	-	(8.49)	-	-	-	(8.49)
Stamp duty paid on increase of authorised share capital	(42.75)	-	-	-	-	-	(42.75)
Other comprehensive income for the year, net of income tax(*)	-	-	46.45	-	53.32	-	99.77
<b>Total comprehensive income for the year</b>	<b>(42.75)</b>	-	<b>(27,933.20)</b>	-	<b>53.32</b>	<b>31.08</b>	<b>(27,891.55)</b>
<b>Balance as at 31 March 2020</b>	<b>64,492.05</b>	<b>1,800.00</b>	<b>80,080.16</b>	-	-	<b>(7.43)</b>	<b>1,46,364.78</b>
Additions during the year:							
Transfer on account of Redemption of Debenture	-	(1,800.00)	-	1,800.00	-	-	-
Profit/(loss) for the year	-	-	(30,556.01)	-	-	(155.92)	(30,711.93)
Transfer to Non controlling Interest	-	-	32.79	-	-	171.94	204.72
Adjustment of consolidation	-	-	(6,873.79)	-	-	-	(6,873.79)
Elimination on sale of subsidiary	-	-	428.73	-	-	7.43	436.16
Stamp duty paid on increase of authorised share capital	(26.80)	-	-	-	-	-	(26.80)
Other comprehensive income for the year, net of income tax(*)	-	-	26.15	-	-	(0.03)	26.12
Total comprehensive income for the year	(26.80)	(1,800.00)	(36,942.13)	1,800.00	-	23.42	(36,945.51)
<b>Balance as at 31 March 2021</b>	<b>64,465.25</b>	-	<b>43,138.03</b>	<b>1,800.00</b>	-	<b>15.99</b>	<b>1,09,419.27</b>

(\*) 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 consolidated financial statements

As per our report of even date attached

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

Chartered Accountants

Firm's Registration No 000472N

**Sandeep Dahiya**
**Partner**

Membership No 505371

UDIN: 21505371AAAAOM5488

**For and on behalf of the Board of Directors**
**Devansh Jain**
**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**
**Chief Executive Officer**
**Deepak Banga**
**Company Secretary**
**Vineet Valentine Davis**
**Whole-time Director**

DIN: 06709239

**Narayan Lodha**
**Chief Financial Officer**

 Place : New Delhi  
 Date : 25 June 2021

 Place : Noida  
 Date : 25 June 2021

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 1. Group information

Inox Wind Limited ("the Company") is a public limited company incorporated in India. These Consolidated Financial Statements ("these CFS") relate to the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interest in associates. The Group is engaged in the business of manufacture and sale of Wind Turbine Generators ("WTGs"). It also provides Erection, Procurement and Commissioning ("EPC") services, Operations and Maintenance ("O&M") services, wind farm development services and Common Infrastructure Facilities for WTGs. The area of operations of the Group is within India.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, Inox Renewables Limited and Inox Wind Energy Limited (wholly-owned subsidiaries of GFL Limited) as detailed below:

- a) Part A - Amalgamation of Inox Renewables Limited into GFL Limited w.e.f. 01 April 2020 and
- b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) and strategic investment of GFL Limited in Inox Wind Limited and other assets and liabilities pertaining to the said business into Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 01 July 2020.

The aforesaid Scheme become effective from February 9, 2021. Upon the said Scheme becoming effective, Inox Wind Limited has become the subsidiary company of Inox Wind Energy Limited w.e.f. 01.07.2020. Its ultimate holding company is Inox Leasing and Finance Limited.

The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India.

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

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

### 2.1 Statement of Compliance

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

### 2.2 Basis of Measurement

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these CFS is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, 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:

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

- 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

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

These CFS have been prepared on accrual and going concern basis.

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

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

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

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

These CFS were authorized for issue by the Company's Board of Directors on 25 June 2021.

## 3. Basis of Consolidation and Significant Accounting Policies

### 3.1 Basis of consolidation

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

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

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

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

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

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

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

### 3.2 Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

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

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

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments

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that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

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

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

### 3.3 Goodwill

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

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

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the

recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

### 3.4 Investment in associates

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

The results and assets and liabilities of associates are incorporated in these CFS using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

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

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

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

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate but the Group continues

to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

### 3.5 Revenue recognition

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

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue from the sale of WTGs is recognised at over the time when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Revenue from sale of WTGs is recognised on supply in terms of the respective contracts. Revenue from sale of power is recognised on the basis of actual units generated and transmitted to the purchaser.
- Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of transaction at the reporting date and when the costs incurred for the transactions and the costs to complete the transaction can be measured reliably, as under:

Revenue from EPC is recognised point in time on the basis of stage of completion by reference to surveys of work performed. Revenue from operations and maintenance and common infrastructure facilities contracts is recognised over the time proportionally over the period of the contract, on a straight-line basis. Revenue from

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wind farm development is recognised point in time when the wind farm site is developed and transferred to the customers in terms of the respective contracts.

- Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue is net of goods and service tax.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.
- Revenue also excludes taxes collected from customers. Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts.
- Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.
- The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.
- In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.
- Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

### Use of significant judgments in revenue recognition

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

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

# Notes to the Consolidated Financial statement

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## 3.6 Government Grants

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

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

## 3.7 Leases

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

### 3.7.1 The Group as lessee

The Group lease assets includes classes primarily consist of leases for land and building, The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether:

- (i) the contract involves the use of an identified assets
- (ii) the Group has substantially all of the economic benefits from use of the assets through the period of the lease and
- (iii) the Group has the right to direct the use of the assets.

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

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

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

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

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

## 3.8 Foreign currency transactions and translation

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

# Notes to the Consolidated Financial statement

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

- exchange differences on foreign currency borrowings relating to assets under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 3.18) below for hedging accounting policies.

### 3.9 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.

### 3.10 Employee benefits

#### 3.10.1 Retirement benefit costs

Recognition and measurement of defined contribution plans:

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

Recognition and measurement of defined benefit plans:

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

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

#### 3.10.2 Short-term and other long-term employee benefits

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

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

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

# Notes to the Consolidated Financial statement

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## 3.11 Taxation

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

### 3.11.1 Current tax

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

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

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

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

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

### 3.11.3 Presentation of current and deferred tax:

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

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

## 3.12 Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

### 3.13 Intangible assets

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

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

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

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

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

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

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

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

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

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

## 3.15 Inventories

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

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

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

## 3.16 Provisions and contingencies

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

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

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

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.

## 3.17 Financial instruments

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

### A] Financial assets

#### a) Initial recognition and measurement:

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

#### b) Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts)

through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

#### c) Subsequent measurement:

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

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

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

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

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

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

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

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### ii. Financial assets measured at FVTOCI:

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

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

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

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

### iii. Financial assets measured at FVTPL:

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

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

### d) Foreign exchange gains and losses

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

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

### e) Derecognition:

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

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

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

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

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

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

### f) Impairment of financial assets:

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

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

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

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

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

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

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

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

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

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

## B] Financial liabilities and equity instruments

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

### i. Equity instruments:-

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

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

### ii. Financial liabilities:-

#### a) Initial recognition and measurement:

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## b) Subsequent measurement:

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

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

## c) Foreign exchange gains and losses:

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

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

## d) Derecognition of financial liabilities:

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

### 3.18 Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 38.

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

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

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

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

#### a) Fair value hedges:

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

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

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

Note 38 sets out details of the fair values of the derivative instruments used for hedging purposes.

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## b) Cash flow hedges:

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

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

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

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

## 3.19 Earnings Per Share

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

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

## 4 Critical accounting judgements and use of estimates

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

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

4.1 Following are the critical judgements that have the most significant effects on the amounts recognised in these CFS:

### a) Leasehold land

Considering the terms and conditions of the leases in respect of leasehold land, particularly the transfer of the significant risks and rewards, it is concluded that they are in the nature of operating leases.

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

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

The Group has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.12 & 3.13 above. The Group reviews the estimated useful lives of PPE at the end of each reporting period.

### b) Fair value measurements and valuation processes

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

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

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

Information about the valuation techniques and inputs used in determining the fair values of various assets and liabilities are disclosed in Note 38.

### c) Investment in associates

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

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

- Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Company. Estimation of current tax expense and payable, recognition of deferred tax assets and possibility of utilizing available tax credits – see Note 49
- Measurement of defined benefit obligations and other long-term employee benefits: – see Note 39
- Assessment of the status of various legal cases/ claims and other disputes where the Company does not expect any material outflow of resources and hence these are reflected as contingent liabilities. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – see Note 21 and Note 40

- Impairment of financial assets – see Note 38

### Recent Pronouncement

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.

### Balance Sheet:

- i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

### Statement of profit and loss:

- i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 5 : Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Freehold land	1,837.83	2,002.83
Leasehold land	4,207.88	4,370.33
Buildings	17,840.80	17,567.89
Plant and equipment	92,910.00	95,518.07
Furniture and fixtures	255.32	305.55
Vehicles	99.64	196.98
Office equipment	42.53	47.65
<b>Total</b>	<b>1,17,194.00</b>	<b>1,20,009.30</b>

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

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Freehold land	1,837.83	2,002.83
Leasehold land	4,207.88	-
Buildings	17,699.31	17,426.40
Plant and equipment	92,910.00	95,518.07
Furniture and fixtures	255.32	305.55
Vehicles	99.64	196.98
Office equipment	42.53	47.65
<b>Total</b>	<b>1,17,052.51</b>	<b>1,15,497.48</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 5A : Property, plant and equipment

Description of Assets	Land		Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
	Freehold	Leasehold						
(₹ in Lakhs)								
<b>Cost or deemed cost:</b>								
<b>Balance as at 1 April 2019</b>	<b>1,469.95</b>	-	<b>21,494.57</b>	<b>87,770.60</b>	<b>479.50</b>	<b>260.42</b>	<b>357.00</b>	<b>1,11,832.04</b>
Additions	400.00	-	1,000.00	28,930.79	11.70	55.06	9.57	30,407.12
Additions (Impact on account of adoption of Ind AS 116) (see Note 50)	(32.12)	-	-	(2,557.17)	-	-	-	(2,589.29)
Disposal	165.00	-	-	(165.00)	-	-	-	-
Adjustments*	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>2,002.83</b>	<b>4,532.78</b>	<b>22,679.60</b>	<b>1,13,979.22</b>	<b>491.20</b>	<b>315.48</b>	<b>366.57</b>	<b>1,44,367.68</b>
Additions	-	-	2,063.29	5,761.20	-	-	32.25	7,856.74
Additions (Impact on account of adoption of Ind AS 116) (see Note 50)	-	-	272.47	-	-	-	-	272.47
Disposal	(165.00)	-	-	(2,815.63)	-	(122.47)	-	(3,103.10)
<b>Balance as at 31 March 2021</b>	<b>1,837.83</b>	<b>4,532.78</b>	<b>25,015.36</b>	<b>1,16,924.79</b>	<b>491.20</b>	<b>193.01</b>	<b>398.82</b>	<b>1,49,393.79</b>
<b>Accumulated Depreciation:</b>								
<b>Balance as at 1 April, 2019</b>	-	-	<b>3,435.83</b>	<b>13,635.88</b>	<b>134.41</b>	<b>85.63</b>	<b>268.13</b>	<b>17,559.88</b>
Depreciation for the year	-	-	1,632.34	5,428.42	51.24	32.87	50.79	7,195.66
Depreciation for the year (Impact on account of adoption of Ind As 116) (see Note 50)	-	-	43.54	-	-	-	-	205.99
Eliminated on disposal of asset	-	-	-	(603.15)	-	-	-	(603.15)
<b>Balance as at 31 March 2020</b>	-	<b>162.45</b>	<b>5,111.71</b>	<b>18,461.15</b>	<b>185.65</b>	<b>118.50</b>	<b>318.92</b>	<b>24,358.38</b>
Depreciation for the year	-	-	1,903.77	5,643.46	50.23	28.94	37.37	7,663.77
Depreciation for the year (Impact on account of adoption of Ind As 116) (see Note 50)	-	-	159.08	-	-	-	-	321.53
Eliminated on disposal of asset	-	-	-	(89.82)	-	(54.07)	-	(143.89)
<b>Balance as at 31 March 2021</b>	-	<b>324.90</b>	<b>7,174.56</b>	<b>24,014.79</b>	<b>235.88</b>	<b>93.37</b>	<b>356.29</b>	<b>32,199.79</b>

Net carrying amount	Land		Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipment	Total
	Freehold	Leasehold						
(₹ in Lakhs)								
<b>As at 31 March 2020</b>	<b>2,002.83</b>	<b>4,370.33</b>	<b>17,567.89</b>	<b>95,518.07</b>	<b>305.55</b>	<b>196.98</b>	<b>47.65</b>	<b>1,20,009.30</b>
<b>As at 31 March 2021</b>	<b>1,837.83</b>	<b>4,207.88</b>	<b>17,840.80</b>	<b>92,910.00</b>	<b>255.32</b>	<b>99.64</b>	<b>42.53</b>	<b>1,17,194.00</b>

\*Note: The above figure has been reclassified from Plant and equipment to Freehold Land.

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 6 : Intangible Assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Carrying amounts of:</b>		
Technical know-how	1,935.57	2,362.20
Software	14.85	405.67
<b>Total</b>	<b>1,950.42</b>	<b>2,767.87</b>

#### Details of Intangible Assets

Particulars	(₹ in Lakhs)		
	Technical know-how	Software	Total
<b>Balance as at 1 April 2019</b>	<b>4,906.84</b>	<b>187.61</b>	<b>5,094.45</b>
Additions	-	366.37	366.37
Adjustment*	(43.54)	43.54	-
<b>Balance as at 31 March 2020</b>	<b>4,863.30</b>	<b>597.52</b>	<b>5,460.82</b>
Additions	-	-	-
<b>Balance as at 31 March 2021</b>	<b>4,863.30</b>	<b>597.52</b>	<b>5,460.82</b>
<b>Accumulated amortisation :</b>			
<b>Balance as at 1 April 2019</b>	<b>1,904.53</b>	<b>159.98</b>	<b>2,064.51</b>
Amortisation expense for the year	596.57	31.87	628.44
<b>Balance as at 31 March 2020</b>	<b>2,501.10</b>	<b>191.85</b>	<b>2,692.95</b>
Amortisation expense for the year	426.63	390.82	817.45
<b>Balance as at 31 March 2021</b>	<b>2,927.73</b>	<b>582.67</b>	<b>3,510.40</b>

Net carrying amount	(₹ in Lakhs)		
	Technical know-how	Software	Total
<b>As at 31 March 2020</b>	<b>2,362.20</b>	<b>405.67</b>	<b>2,767.87</b>
<b>As at 31 March 2021</b>	<b>1,935.57</b>	<b>14.85</b>	<b>1,950.42</b>

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

### 7 : Investments in Subsidiary

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>In equity instruments (unquoted)</b>		
(in fully paid-up equity shares of ₹ 10 each)		
Wind Two Renergy Private Limited- 3,25,10,000 (31 March 2020: 3,25,10,000) equity shares (refer note (ii), (iii) & (iv) below)	3,251.00	3,251.00
Wind Four Renergy Private Limited- 2,59,14,000 (31 March 2020: 1,85,10,000) equity shares (refer note (i) below)	-	1,851.00
Wind Five Renergy Private Limited- 1,85,10,000 (31 March 2020: 1,85,10,000) equity shares (refer note (iii) & (iv) below)	-	1,851.00

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 7 : Investments in Subsidiary (Contd..)

(₹ in Lakhs)

Particulars	As at	
	31 March 2021	31 March 2020
Wind One Renergy Private Limited- 10,000 (31 March 2020: 10,000) equity shares (refer note (iii) & (iv) below)	-	1.00
Wind Three Renergy Private Limited- 10,000 (31 March 2020: 10,000) equity shares (refer note (iii) & (iv) below)	-	1.00
	<b>3,251.00</b>	<b>6,955.00</b>

- (i) Various binding agreements entered into with party has ceased to exit w.e.f. 01 January 2021, as per term and conditions of the agreement. The group has gained control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the group has accounted for investment in such companies as investment in 'subsidiary' from the date of gaining control.
- (ii) The group has neither right to variable returns from its involvement with the investee and nor the ability to affect those returns through its power over the investee .
- (iii) The group has entered into various binding agreements (including call & put option agreement and voting rights agreement) with a party to, inter-alia, transfer the shares of such companies at a future date and defining rights of the respective parties. In view of the provisions of these binding agreements, it is assessed that the group has ceased to exercise control over such companies in terms of Ind AS 110: Consolidated Financial Statements. Therefore, the group has accounted for investment in such companies as investment in 'associate' from the date of cessation of control.
- (iv) Shares & Debentures have been pledged by the group as additional security for loan availed by the respective associate company.

## 8 : Other Investment

(₹ in Lakhs)

Particulars	As at	
	31 March 2021	31 March 2020
<b>Current</b>		
<b>Financial assets carried at FVTPL</b>		
<b>Investments in mutual funds (unquoted, fully paid up)</b> (Face value ₹ 10 each)		
L079B SBI Saving Fund - Regular plan - Growth - Nil (31 March 2020: 6,963,536.73 units)	-	2,158.49
ABSL Saving Fund - Growth Direct- Nil (31 March 2020: 71,221.92 units)	-	285.48
<b>Total Current investments</b>	-	<b>2,443.97</b>
<b>Total Investments (non-current and current)</b>	-	<b>2,443.97</b>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	-	2,443.97
Aggregate amount of impairment in value of investments	-	-
<b>Category-wise other investments – as per Ind AS 109 classification</b>		
Carried at fair value through profit and loss	-	2,443.97
	-	<b>2,443.97</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 9 : Loans (Unsecured & Considered good)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Security deposits	1,439.62	1,341.24
<b>Total</b>	<b>1,439.62</b>	<b>1,341.24</b>
<b>Current</b>		
<b>Loans to related parties (see Note 51)</b>		
Inter-corporate deposits to associates	866.14	8,055.92
Others	12.57	-
<b>Total</b>	<b>878.71</b>	<b>8,055.92</b>

### 10 : Other financial assets (Unsecured, considered good)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Non-current bank balances (from Note 16)	598.97	101.66
Unbilled revenue (see Note below)	45,214.58	39,391.51
<b>Total</b>	<b>45,813.55</b>	<b>39,493.17</b>
<b>Current</b>		
Other interest accrued	5.65	76.05
Unbilled revenue (see Note below)	4,031.98	4,163.72
Insurance claims lodged	-	63.02
Other receivables	314.75	314.75
<b>Total</b>	<b>4,352.38</b>	<b>4,617.54</b>

Note: Unbilled revenue is classified as financial asset as right to consideration is unconditional upon passage of time.

### 11 : Income Tax Assets (Net)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Income tax paid (net of provisions)	1,345.02	2,784.98
<b>Total</b>	<b>1,345.02</b>	<b>2,784.98</b>
<b>Current</b>		
Income tax paid (net of provisions)	725.60	931.60
<b>Total</b>	<b>725.60</b>	<b>931.60</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 12 : Other Assets

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Capital advances	5,065.30	6,131.25
Security deposits with government authorities	146.94	101.77
Balances with government authorities		
- Balances in Service Tax , VAT & GST accounts	619.91	464.44
Prepayments - others	780.01	436.75
<b>Total</b>	<b>6,612.16</b>	<b>7,134.21</b>
<b>Current</b>		
Advance to suppliers	58,599.76	39,735.28
Advance for expenses	366.58	89.12
Balances with government authorities		
- Balances in Service Tax , VAT & GST accounts	17,951.23	13,147.75
Prepayments - others	1,319.01	1,750.71
Other Recoverable	-	763.24
<b>Total</b>	<b>78,236.58</b>	<b>55,486.10</b>

## 13 : Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials (including goods in transit of ₹ 13,241.24 lakhs, as at 31 March 2020 ₹ 13,286.92 lakhs)	51,593.11	55,831.19
Construction materials	10,186.67	10,307.70
Work-in-progress (See Note 45)	27,974.12	29,562.00
Finished goods	1,620.76	3,471.57
Stores and spares	308.84	237.31
<b>Total</b>	<b>91,683.50</b>	<b>99,409.77</b>

### Note:

Inventories of ₹ 56,185.21 lakhs (as at 31 March 2020: ₹ 63,461.66 lakhs) are hypothecated against working capital facilities from banks, see Note 52 for security details.

## 14 : Trade Receivables (Unsecured)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
Considered good	1,26,002.93	1,52,717.94
Less: Allowances for expected credit losses	21,156.92	20,485.46
<b>Total</b>	<b>1,04,846.01</b>	<b>1,32,232.48</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 15 : Cash & Cash Equivalents

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balances with banks		
in current accounts	12,073.34	722.92
in cash credit accounts	841.88	2.24
Cash on hand	4.20	5.10
<b>Total</b>	<b>12,919.42</b>	<b>730.26</b>

## 16 : Other Bank Balances

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Bank deposits with original maturity period of more than 3 months but less than 12 months	8,924.02	13,784.88
Bank deposits with original maturity for more than 12 months	1,609.57	962.17
Bank deposits with original maturity for less than 3 months	1,381.74	734.79
	<b>11,915.33</b>	<b>15,481.84</b>
Less: Amount disclosed under Note 10 - 'Other financial assets-Non current	598.97	101.66
<b>Total</b>	<b>11,316.36</b>	<b>15,380.18</b>

### Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
a) Bank deposits with original maturity for more than 3 months but less than 12 months	8,924.02	13,475.75
b) Bank deposits with original maturity for more than 12 months	1,609.57	962.17
c) Bank deposits with original maturity for less than 3 months	1,381.74	734.79

## 17 : Equity share capital

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Authorised capital</b>		
50,00,00,000 (as at 31 March 2020: 50,00,00,000) equity shares of ₹ 10 each	50,000.00	50,000.00
<b>Issued, subscribed and paid up</b>		
22,19,18,226 (as at 31 March 2020 : 22,19,18,226) equity shares of ₹ 10 each fully paid up	22,191.82	22,191.82
	<b>22,191.82</b>	<b>22,191.82</b>

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Shares outstanding at the beginning of the year	22,19,18,226	22,191.82	22,19,18,226	22,191.82
<b>Shares outstanding at the end of the year</b>	<b>22,19,18,226</b>	<b>22,191.82</b>	<b>22,19,18,226</b>	<b>22,191.82</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 17 : Equity share capital (Contd..)

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

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

#### (c) Shares held by holding company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)-See Note 57	-	-	12,64,38,669	12,643.87
Inox Wind Energy Limited-See Note 57	12,28,73,258	12,287.33	-	-

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
GFL Limited (Earlier known as Gujarat Fluorochemicals Limited)-See Note 57	-	-	12,64,38,669	56.975%
Inox Wind Energy Limited-See Note 57	12,28,73,258	55.369%	-	-
Siddho Mal Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Siddhapawan Trading LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Devansh Trademart LLP	1,00,00,000	4.506%	1,00,00,000	4.506%
Inox Chemicals LLP	1,00,00,000	4.506%	1,00,00,000	4.506%

### 18 : Other equity

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Securities premium	64,465.25	64,492.05
Debenture redemption reserve	-	1,800.00
Cash flow hedge reserve	-	-
Retained earnings	43,138.03	80,080.16
General Reserve	1,800.00	-
<b>Total</b>	<b>1,09,403.28</b>	<b>1,46,372.21</b>

#### 18 (i) Securities premium

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	64,492.05	64,534.80
Add: Movement during the year	(26.80)	(42.75)
<b>Balance at the end of the year</b>	<b>64,465.25</b>	<b>64,492.05</b>

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 18 (ii) Debenture redemption reserve

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	1,800.00	1,800.00
Transfer from retained earnings	-	-
Transfer to General Reserve on redemption of debenture	(1,800.00)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>1,800.00</b>

### 18 (iii) General reserve

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	-
Add: Transfer from Debenture Redemption Reserver on redemption of debenture	1,800.00	-
<b>Balance at the end of the year</b>	<b>1,800.00</b>	<b>-</b>

During the year, the Company has redeemed the redeemable non convertible debenture accordingly debenture redemption reserve has been transferred to general reserve.

### 18 (iv) Cash flow hedge reserve

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	(53.32)
Other comprehensive income for the year, net of income tax	-	53.32
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

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

### 18 (v) Retained earnings:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Surplus in the statement of profit and loss	80,080.16	1,08,013.36
Impact on account of adoption of Ind AS 116 (see Note 50)	-	(8.49)
Total comprehensive income for the year	(30,529.86)	(27,924.71)
Transfer to Non controlling Interest	32.79	-
Adjustment of consolidation	(6,873.79)	-
Elimination on sale of subsidiary	428.73	-
<b>Total</b>	<b>43,138.03</b>	<b>80,080.16</b>

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 19 : Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured loans:</b>		
<b>Debentures</b>		
9.5% Redeemable non convertible debentures	39,823.79	5,445.06
<b>Rupee term loans</b>		
From banks	18,253.20	34,540.33
From other parties	46.56	111.48
<b>Total</b>	<b>58,123.55</b>	<b>40,096.87</b>
Less: Amounts disclosed under Note 20 "Other current financial liabilities")		
Current maturities	12,459.34	27,481.11
Interest accrued	827.05	757.46
	<b>13,286.39</b>	<b>28,238.57</b>
<b>Total</b>	<b>44,837.16</b>	<b>11,858.30</b>

For terms of repayment and securities etc. see Note 52

### 20 : Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Security deposits	182.67	182.67
<b>Total</b>	<b>182.67</b>	<b>182.67</b>
<b>Current</b>		
Current maturities of non-current borrowings (see Note 19)	12,459.34	27,481.11
Interest accrued but not due		
-on borrowing	3,379.35	1,845.30
-on advance from customer	12,426.10	4,325.34
Creditors for capital expenditure	1,916.51	3,309.17
Consideration payable for business combinations	45.00	1,197.46
Employee dues payables	4,201.21	3,059.98
Expenses payables	171.58	73.36
<b>Total</b>	<b>34,599.09</b>	<b>41,291.72</b>

### 21 : Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
<b>Provision for employee benefits (see Note 39)</b>		
Gratuity	661.47	581.75
Compensated absences	436.50	247.20
<b>Total</b>	<b>1,097.97</b>	<b>828.95</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 21 : Provisions (Contd..)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
<b>Provision for employee benefits (see Note 39)</b>		
Gratuity	49.40	31.23
Compensated absences	59.02	191.44
<b>Other provisions (see Note 40)</b>		
Disputed service tax liabilities	32.19	32.19
Disputed sales tax liabilities (net of payments)	30.43	30.43
<b>Total</b>	<b>171.04</b>	<b>285.29</b>

Particulars	(₹ in Lakhs)	
	Service Tax	Sale Tax
Balance as at 01 April 2016	-	30.43
Addition during the year	32.19	-
Paid during the year	-	-
Balance as at 31 March 2017	32.19	30.43
Balance as at 31 March 2018	32.19	30.43
Balance as at 31 March 2019	32.19	30.43
Balance as at 31 March 2020	32.19	30.43
Balance as at 31 March 2021	32.19	30.43

### 22 : Deferred Tax Balances

#### Year ended 31 March 2021

Deferred tax assets/(liabilities) in relation to:

Particulars	(₹ in Lakhs)					
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against consolidation	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(5,384.91)	3,305.02	-	-	-	(2,079.89)
Government grant-deferred income	672.27	(222.53)	-	-	-	449.74
Straight lining of O & M revenue	(14,488.32)	(1,118.57)	-	-	-	(15,606.89)
Allowance for expected credit loss	7,150.92	3,259.54	-	-	-	10,410.46
Defined benefit obligations	364.87	68.10	(14.03)	-	-	418.94
Effects of measuring investments at fair value	(1,151.52)	(344.48)	-	-	-	(1,496.00)
Business loss	25,860.52	9,945.50	-	15.69	-	35,821.71
Other deferred tax assets	1,387.50	(150.22)	-	-	-	1,237.28
Other deferred tax liabilities	1,726.93	7.58	-	-	-	1,734.51
Lease Liability	16.10	47.06	-	-	-	63.16
	<b>16,154.36</b>	<b>14,797.00</b>	<b>(14.03)</b>	<b>15.69</b>	<b>-</b>	<b>30,953.02</b>
MAT credit entitlement	9,893.86	-	-	-	-	9,893.86
<b>Total</b>	<b>26,048.22</b>	<b>14,797.00</b>	<b>(14.03)</b>	<b>15.69</b>	<b>-</b>	<b>40,846.88</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 22 : Deferred Tax Balances (contd..)

#### Year ended 31 March 2020

Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Adjusted against consolidation	Adjusted against current tax liability	Closing balance
Property, plant and equipment	(6,460.57)	1,075.66	-	-	-	(5,384.91)
Government grant-deferred income	797.57	(125.30)	-	-	-	672.27
Straight lining of O & M revenue	(12,734.24)	(1,754.08)	-	-	-	(14,488.32)
Allowance for expected credit loss	602.40	6,548.52	-	-	-	7,150.92
Defined benefit obligations	338.78	51.05	(24.96)	-	-	364.87
Effects of measuring investments at fair value	(982.36)	(169.16)	-	-	-	(1,151.52)
Business loss	17,410.98	8,262.15	-	187.39	-	25,860.52
Other deferred tax assets	2,043.69	(656.19)	-	-	-	1,387.50
Other deferred tax liabilities	(36.80)	1,792.37	(28.64)	-	-	1,726.93
Lease Liability	-	16.10	-	-	-	16.10
	<b>979.45</b>	<b>15,041.12</b>	<b>(53.60)</b>	<b>187.39</b>	<b>-</b>	<b>16,154.36</b>
MAT credit entitlement	9,883.50	10.36	-	-	-	9,893.86
<b>Total</b>	<b>10,862.95</b>	<b>15,051.48</b>	<b>(53.60)</b>	<b>187.39</b>	<b>-</b>	<b>26,048.22</b>

The group has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Group has executed long term Operation & maintenance contracts with the customers. Revenue in respect of such contracts will get recognised in future years as per the accounting policy of the group. Based on these contracts, the group has reasonable certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realize such assets in the near future. Accordingly, the group has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.

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

(₹ in Lakhs)

Particulars	Financial year	Gross amount as at 31 March 2021 (₹ in Lakhs)	Expiry date
Business Losses	2015-16	361.45	2022-23
	2016-17	449.44	2023-24
	2017-18	824.16	2025-26
	2018-19	1,087.40	2026-27
	2019-20	530.31	2027-28
	2020-21	439.58	2028-29
Unabsorbed depreciation	2015-16	2.78	NA
	2016-17	2.37	NA
	2017-18	3.10	NA
	2018-19	2.64	NA
	2019-20	2.24	NA
	2020-21	1.91	NA

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 23 : Other Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Non-current</b>		
Deferred income arising from government grants	929.55	933.59
Deferred liability for lease ( Impact on account of adoption of Ind AS 116) (see Note 50)	195.36	168.53
Income received in advance	3,222.24	778.91
<b>Total</b>	<b>4,347.15</b>	<b>1,881.03</b>
<b>Current</b>		
Advances received from customers	1,20,963.07	1,18,724.57
Income received in advance	1,519.34	1,491.93
Statutory dues and taxes payable	3,857.52	5,451.69
Deferred income arising from government grants	357.49	357.49
Deferred liability for lease ( Impact on account of adoption of Ind AS 116) (see Note 50)	151.07	39.97
<b>Total</b>	<b>1,26,848.49</b>	<b>1,26,065.65</b>

## 24 : Current borrowings

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
<b>From Banks</b>		
<i>Foreign currency loan:</i>		
Supplier credit	12,032.77	4,891.58
<i>Rupee loans:</i>		
Working capital demand loans	15,365.95	16,959.63
Cash credit	17,445.25	21,376.65
Over Draft	21,825.50	-
Others	3,000.00	1,033.45
<b>Unsecured</b>		
From others (interest free)	-	2,468.20
From others	-	4,297.77
<b>From related parties</b>		
Inter-corporate deposits from holding companies*	30,874.52	22,757.66
Loan from Director**	1,000.00	-
	<b>1,01,543.99</b>	<b>73,784.94</b>
Less: Amount Disclosed under Note 20 "Other current financial liabilities"		
Interest accrued	2,549.65	1,053.77
<b>Total</b>	<b>98,994.34</b>	<b>72,731.17</b>

\*Inter Corporate Deposits are unsecured , repayable on demand and carries interest rate in the range of @7% to 7.50%.

\*\*Loan from director is unsecured, repayable on demand and carries interest rate of Nil.

For terms of repayment and securities etc., see Note 52A

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 25 : Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
<b>Trade payables:</b>		
Total outstanding dues of micro enterprises and small enterprises	190.21	180.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,03,561.40	1,05,285.92
<b>Total</b>	<b>1,03,751.61</b>	<b>1,05,466.05</b>

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

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Principal amount due to suppliers under MSMED Act at the year end	190.21	180.13
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end	29.54	38.16
Payment made to suppliers (other than interest) beyond the appointed date during the year	8717	160.55
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	9.94	7.76
Interest accrued and not paid to suppliers under MSMED Act up to the year end	358.34	332.47

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

### 26 : Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Current</b>		
Provision for Income tax (net of payments)	-	10.52
<b>Total</b>	<b>-</b>	<b>10.52</b>

### 27 : Revenue from Operations

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Sale of products	46,181.75	35,542.80
Sale of services	24,331.33	39,800.14
Other operating revenue	559.56	675.56
<b>Total</b>	<b>71,072.64</b>	<b>76,018.50</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 28 : Other Income

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Interest income</b>		
Interest income calculated using the effective interest method:		
On fixed deposits with banks	679.66	1,109.92
On Inter-corporate deposits	492.01	167.76
On long term investment	-	87.24
<b>Other interest income</b>		
On Income tax refund	184.88	79.02
On others	6.79	6.09
	<b>1,363.34</b>	<b>1,450.03</b>
<b>Other gains and losses</b>		
Gain on investments carried at FVTPL	113.53	162.37
Net gain on foreign currency transactions and translation	355.97	(1,096.91)
Net gains/(losses) on derivatives	-	(281.68)
Gain on sale / disposal of property, plant and equipment	-	75.89
	<b>469.50</b>	<b>(1,140.33)</b>
<b>Income from Sale of Investment</b>		
Sale of Investment	1,296.70	-
	<b>1,296.70</b>	-
<b>Other non operating income</b>		
Government grants - deferred income	4.04	358.46
Insurance claims	410.99	342.47
Other Income	306.66	29.94
Sundry Liability Written back	3,773.85	-
	<b>4,495.54</b>	<b>730.87</b>
<b>Total</b>	<b>7,625.08</b>	<b>1,040.57</b>

### Note:

Realised gain during the year in respect of mutual funds and debentures	99.63	(0.03)
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## 29 : Cost of Materials Consumed

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Raw materials consumed	28,185.17	18,036.59
<b>Total</b>	<b>28,185.17</b>	<b>18,036.59</b>

## 30 : EPC, O&M, Common Infrastructure Facility and Site Development Expenses

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Construction material consumed	768.31	3,453.43
Equipment & machinery hire charges	2,843.74	3,994.72
Subcontractor cost	2,022.59	8,796.90
Cost of lands	809.69	2,197.14
O&M repairs	1,591.17	2,259.05
Legal & professional fees & expenses	179.03	360.31

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 30 : EPC, O&M, Common Infrastructure Facility and Site Development Expenses (Contd..)

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Stores and spares consumed	1,035.46	301.71
Rates & taxes and regulatory fees	31.51	169.55
Rent	243.79	279.13
Labour charges	137.08	238.39
Insurance	473.62	714.78
Security charges	1,094.87	1,111.35
Travelling & conveyance	1,124.05	1,323.64
Miscellaneous expenses	220.06	567.70
<b>Total</b>	<b>12,574.97</b>	<b>25,767.80</b>

### 31 : Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
<b>Opening stock</b>		
Finished goods	3,471.57	2,812.00
Work-in-progress	3,921.59	2,752.52
Project development, erection and commissioning work in progress	25,258.00	24,169.97
Common infrastructure facilities	382.41	382.41
	<b>33,033.57</b>	<b>30,116.90</b>
<b>Less: Closing stock</b>		
Finished goods	1,620.76	3,471.57
Work-in-progress	2,662.50	3,921.59
Project development, erection and commissioning work in progress	24,929.22	25,258.00
Common infrastructure facilities	382.41	382.41
	<b>29,594.89</b>	<b>33,033.57</b>
<b>(Increase) / decrease in inventories</b>	<b>3,438.68</b>	<b>(2,916.67)</b>

### 32 : Employee Benefits Expense

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Salaries and wages	8,273.88	7,829.94
Contribution to provident and other funds	332.86	361.92
Gratuity	192.32	224.55
Staff welfare expenses	459.75	605.69
<b>Total</b>	<b>9,258.81</b>	<b>9,022.10</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 33 : Finance Costs

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	12,623.02	13,431.68
<b>Other interest cost</b>		
Interest on delayed payment of taxes	351.59	862.38
Other interest	8,372.51	5,059.12
Other borrowing costs	3,961.74	4,209.53
Net foreign exchange loss on borrowings (considered as finance cost)	238.76	814.35
<b>Total</b>	<b>25,547.62</b>	<b>24,377.06</b>

### 34 : Depreciation and Amortisation Expense

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Depreciation of property, plant and equipment	7,985.30	7,401.58
Amortisation of intangible assets	817.45	628.50
<b>Total</b>	<b>8,802.75</b>	<b>8,030.08</b>

### 35 : Other Expense

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Stores and spares consumed	220.13	33.36
Power and fuel	405.97	405.32
Freight outward	1,459.31	1,010.28
Insurance	266.63	244.84
Repairs to:		
Buildings	116.33	22.53
Plant and equipment	26.60	27.75
Others	64.40	45.75
Directors' sitting fees	12.80	12.40
Bad debts	8,795.76	
Less: Provision written back (8,795.76)	-	-
Rent	16.64	89.93
Rates and taxes	627.74	42.95
Travelling and conveyance	509.75	720.71
Legal and professional fees and expenses	1,271.63	744.67
Allowance for expected credit loss	9,469.21	18,738.66
Sales commission	-	27.23
Royalty	-	127.96
Job work charges & labour charges	1,178.28	1,693.18
Testing charges	67.56	81.89
Crane and equipment hire charges	146.37	183.08
Liquidated damages	1,364.81	30.00
Demurrage and detention charges	773.61	488.55

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 35 : Other Expense (Contd..)

(₹ in Lakhs)

Particulars	2020-2021	2019-2020
Business promotion & advertisement	26.58	68.21
Loss on sale / disposal of property, plant and equipment	59.70	-
Miscellaneous expenses	3,115.58	1,412.53
<b>Total</b>	<b>21,199.63</b>	<b>26,251.78</b>

### 36 : Earnings per Share

Particulars	2020-2021	2019-2020
Profit/(loss) for the year (₹ in Lakhs)	(30,711.93)	(27,940.07)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	22,19,18,226	22,19,18,226
Nominal value of each share (in ₹)	10.00	10.00
Basic and Diluted earnings/(loss) per share (in ₹)	(13.84)	(12.59)

### 37 : Capital Management

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

The Group capital management objectives are:

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

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current borrowings	44,837.16	11,858.30
Current maturities of non-current borrowings	12,459.34	27,481.11
Current borrowings	98,994.34	72,731.17
Interest accrued but not due on borrowings	3,379.35	1,845.30
Interest accrued but not due on advance from customers	12,426.10	4,325.34
<b>Total debt</b>	<b>1,72,096.29</b>	<b>1,18,241.22</b>
Less: Cash and bank balances (excluding bank deposits kept as lien)	12,919.42	1,774.18
<b>Net debt</b>	<b>1,59,176.87</b>	<b>1,16,467.04</b>
Total equity	1,31,595.10	1,68,564.03
<b>Net debt to equity %</b>	<b>120.96%</b>	<b>69.09%</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 38 : Financial Instruments

### (I) Categories of Financial Instruments

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
<b>Mandatorily measured as at FVTPL</b>		
(a) Investments in mutual funds	-	2,443.97
<b>Sub-total</b>	<b>-</b>	<b>2,443.97</b>
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	24,834.75	16,212.10
(b) Trade receivables	1,04,846.01	1,32,232.48
(c) Loans	2,318.33	9,397.16
(d) Other financial assets	49,566.96	44,009.04
<b>Sub-total</b>	<b>1,81,566.05</b>	<b>2,01,850.78</b>
<b>Total financial assets</b>	<b>1,81,566.05</b>	<b>2,04,294.75</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	1,56,290.84	1,12,070.58
(b) Trade payables	1,03,751.61	1,05,466.05
(c) Other financial liabilities	22,322.42	13,993.28
<b>Sub-total</b>	<b>2,82,364.87</b>	<b>2,31,529.90</b>
<b>Total financial liabilities</b>	<b>2,82,364.87</b>	<b>2,31,529.90</b>

Investment in associates are classified as equity investments have been accounted at historical cost. Since these are scope out of Ind As 109 for the purpose of measurement, the same have not been disclosed in the table above.

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

### (ii) Financial Risk Management

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

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

### (iii) Market Risk

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

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 38 : Financial Instruments (Contd..)

#### (iv) (a) Foreign Currency Risk Management

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

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

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
<b>Liabilities</b>		
<b>In USD</b>		
Short Term Borrowings	7,357.91	4,232.70
Trade Payable	9,055.39	7,337.14
<b>USD Total</b>	<b>16,413.30</b>	<b>11,569.84</b>
<b>In EURO</b>		
Short Term Borrowings	4,638.58	658.88
Trade Payable	4,786.81	4,483.83
<b>EURO Total</b>	<b>9,425.39</b>	<b>5,142.71</b>
<b>In Other currencies</b>		
Trade Payable	5,529.07	9,401.96
<b>Others Total</b>	<b>5,529.07</b>	<b>9,401.96</b>
<b>Grand Total</b>	<b>31,367.76</b>	<b>26,114.51</b>

The Group does not have any foreign currency monetary assets.

#### (iv) (b) Foreign Currency Sensitivity Analysis

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

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

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

Particulars	(₹ in Lakhs)	
	USD impact (net of tax)	
	As at 31 March 2021	As at 31 March 2020
Impact on profit or loss for the year	1,100.35	752.69
Impact on total equity as at the end of the reporting period	1,100.35	752.69

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 38 : Financial Instruments (Contd..)

#### (iv) (b) Foreign Currency Sensitivity Analysis (Contd..)

(₹ in Lakhs)

Particulars	EURO impact (net of tax)	
	As at	As at
	31 March 2021	31 March 2020
Impact on profit or loss for the year	593.00	334.56
Impact on total equity as at the end of the reporting period	593.00	334.56

(₹ in Lakhs)

Particulars	CNY impact (net of tax)	
	As at	As at
	31 March 2021	31 March 2020
Impact on profit or loss for the year	342.41	607.40
Impact on total equity as at the end of the reporting period	342.41	607.40

#### (v) Interest Rate Risk Management

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

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

#### Interest Rate Sensitivity Analysis

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

Out of total borrowings outstanding as at the end of reporting period, floating rate liabilities are ₹ 74,278.23 Lakhs (for the year ended 31 March 2020 : ₹ 68,358.75 Lakhs). If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2021 would decrease/increase by ₹ 242.39 Lakhs net of tax (for the year ended 31 March 2020 decrease/increase by ₹ 222.35 Lakhs net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

#### (vi) Other Price Risks

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 38 : Financial Instruments (Contd..)

### (vii) Credit Risk Management

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

#### a) Trade Receivables

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. The Group supplies wind turbine equipments to customers which are installed and commissioned generally by a group company and it involves various activities such as civil work, electrical & mechanical work and commissioning activities. The payment terms with customers are fixed as per industry norms. The above activities lead to certain amounts becoming due for payment on completion of related activities and commissioning. The Group considers such amounts as due only on completion of related milestones. However, the group has also long term operation and maintenance contract with such customers. Accordingly, risk of recovery of such amounts is mitigated. Customers who represents more than 5% of the total balance of Trade Receivable as at 31 March 2021 is ₹ 44,312.88 lakhs (as at 31 March 2020 of ₹ 60,318.52 lakhs ) are due from 4 major customers (4 customers as at 31 March 2020) who are reputed parties. All trade receivables are reviewed and assessed for default at each reporting period.

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

#### Expected Credit Losses (%)

Ageing	Expected credit loss (%)	
	2020-21	2019-2020
0-1 Year	1%	1%
1-2 Year	5%	5%
2-3 Year	10%	10%
3-5 Year	15%	15%
Above 5 Year	100%	100%

(₹ in Lakhs)

Age of receivables	As at	As at
	31 March 2021	31 March 2020
0-1 Year	18,860.65	46,016.66
1-2 Year	28,932.97	32,178.05
2-3 Year	25,905.13	33,942.72
3-5 Year	43,395.10	31,686.70
Above 5 Year	8,909.08	8,893.81
<b>Gross trade receivables</b>	<b>1,26,002.93</b>	<b>1,52,717.94</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 38 : Financial Instruments (Contd..)

#### Movement in the expected credit loss allowance :

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance at beginning of the year	20,485.46	1,746.81
Movement in expected credit loss allowance-further allowance	9,469.21	18,738.66
Movement in expected credit loss allowance-Bad Debts	(8,797.75)	-
Balance at end of the year	<b>21,156.92</b>	<b>20,485.46</b>

#### b) Loans and Other Receivables

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

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

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

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

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

#### c) Other Financial Assets

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

#### Liquidity Risk Management

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 38 : Financial Instruments (Contd..)

### Liquidity and Interest Risk Table

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

Particulars	(₹ in Lakhs)			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2021</b>				
Borrowings	1,11,453.68	44,837.16	-	1,56,290.84
Trade payables	1,03,751.61	-	-	1,03,751.61
Other financial liabilities	22,139.75	182.67	-	22,322.42
	<b>2,37,345.04</b>	<b>45,019.83</b>	<b>-</b>	<b>2,82,364.87</b>
<b>As at 31 March 2020</b>				
Borrowings	1,00,212.28	11,858.30	-	1,12,070.58
Trade payables	1,05,466.05	-	-	1,05,466.05
Other financial liabilities	13,810.61	182.67	-	13,993.28
	<b>2,19,488.93</b>	<b>12,040.97</b>	<b>-</b>	<b>2,31,529.90</b>

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

### (viii) Fair Value of the Entity'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 2021	31 March 2020				
(a) Investment in Mutual funds (see Note 8)	Debt based mutual funds managed by various fund house - aggregate fair value of Nil	Debt based mutual funds managed by various fund houses - aggregate fair value of ₹ 2,443.97 Lakhs	Level 2	The use of net asset value (NAV) for mutual fund on the basis of the statement received from investee party	NA	NA

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

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

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

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 39 : Employee Benefits:

### (a) Defined Contribution Plans

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

Contribution to provident fund of ₹ 330.47 Lakhs (previous year ₹ 357.34 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 Group 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 Group's defined benefit plan is unfunded.

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

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2021 by Mr. Charan Gupta Consultants Private Limited, 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.

Movement in the present value of the defined benefit obligation are as follows :

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31 March 2021	As at 31 March 2020
Opening defined benefit obligation	612.98	519.90
Interest cost	41.02	38.64
Current service cost	151.30	185.91
Benefits paid	(54.28)	(60.06)
Actuarial (gain) / loss on obligations	(40.15)	(71.41)
<b>Present value of obligation as at the year end</b>	<b>710.87</b>	<b>612.98</b>

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

Gratuity	As at	As at
	31 March 2021	31 March 2020
Current service cost	151.30	185.91
Interest cost	41.02	38.64
<b>Amount recognised in profit or loss</b>	<b>192.32</b>	<b>224.55</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	0.05	60.43
b) arising from experience adjustments	(40.19)	(131.85)
<b>Amount recognised in other comprehensive income</b>	<b>(40.15)</b>	<b>(71.42)</b>
<b>Total</b>	<b>152.17</b>	<b>153.13</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 39 : Employee Benefits: (Contd..)

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

Gratuity	As at 31 March 2021	As at 31 March 2020
Discount rate	6.69%	6.70%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2012-14) 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 Group to actuarial risks such as interest rate risk and salary risk.

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

### Sensitivity Analysis

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

Particulars	Gratuity	
	2020-21	2019-20
	(₹ in Lakhs)	
Impact on present value of defined benefit obligation:		
If discount rate is increased by 0.50% (PY 1%)	(37.76)	(65.30)
If discount rate is decreased by 0.50% (PY 1%)	41.35	78.36
If salary escalation rate is increased by 0.50% (PY 1%)	39.47	74.76
If salary escalation rate is decreased by 0.50% (PY 1%)	(36.39)	(63.62)

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.

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

Particulars	Gratuity	
	2020-21	2019-20
	(₹ in Lakhs)	
Expected outflow in 1st Year	52.84	31.23
Expected outflow in 2nd Year	39.71	25.00
Expected outflow in 3rd Year	33.08	28.38

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 39 : Employee Benefits: (Contd..)

(₹ in Lakhs)

Particulars	Gratuity	
	2020-21	2019-20
Expected outflow in 4th Year	43.08	38.49
Expected outflow in 5th Year	29.53	33.83
Expected outflow in 6th Year onwards	512.63	265.04

The average duration of the defined benefit plan obligation at the end of the reporting period is in the range of 11.00 to 14.01 years.

### C. Other Short Term and Long Term Employment Benefits:

#### Annual leave & Short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2021 based on actuarial valuation carried out by using Projected accrued benefit method resulted in increase in liability by ₹ 56.88 lakhs (previous year: decrease in liability by ₹ 18.39 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	As at
	31 March 2021	31 March 2020
Discount rate	6.69%	6.70%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality rate	IALM (2012-14) Ultimate Mortality Table	IALM (2012-14) Ultimate Mortality Table

### 40 : Contingent Liabilities

- (a) Claims against the Group not acknowledged as debts: claims made by contractors - ₹ 8,390.26 lakhs (as at 31 March 2020: ₹ 6,131.42 lakhs)

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

- (b) In respect of claims made by four customers (as at 31 March 2020: four) for non-commissioning of WTGs, the amount is not ascertainable.
- (c) Claims made by customers not acknowledged as debts ₹ 1,932.00 lakhs (as at 31 March 2020: ₹ 7,182.00 lakhs)
- (d) Claims made by vendors in National Group Law Tribunal (NCLT) for ₹ 1,240.55 lakhs (as at 31 March 2020: ₹ 1018.04 lakhs)
- (e) In respect of VAT matters - ₹ 1,453.78 lakhs (as at 31 March 2020: ₹ 59.09 lakhs)

The Group had received orders for the financial years ended 31 March 2013 and 31 March 2014, in respect of Himachal Pradesh VAT, levying penalty of ₹ 112.87 lakhs for delayed payment of VAT against which the Group had filed appeals. These appeals were remanded back to the Assessing Officer for reassessment. However, the Group has estimated the amount of penalty which may be ultimately sustained at ₹ 53.78 lakhs and provision for the same was made during the year ended 31 March 2015. After adjusting the amount of ₹ 23.35 lakhs paid against the demands, the balance amount of ₹ 30.43 lakhs is carried forward as "Disputed sales tax liabilities (net of payments)" in Note 21.

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 40 : Contingent Liabilities (Contd..)

Further during the FY 2020-21, the Group has filed application under Legacy Cases Resolution Scheme 2019 for settlement of pending cases for FY 2013-14 to FY 2016-17 and deposited ₹ 496 Lakhs as a full and final settlement amount towards pending cases. The Group is hopeful that the Legacy Applications will be accepted and no further demand will arise on account of above said matters.

The group had received assessment orders for the financial years ended 31 March 2017 for demand of ₹ 154.98 Lakhs, in respect of Andhra Pradesh on account of VAT and CST demand on the issue of mismatch in Input Tax Credit. The Group has filed appeals before the first appellate authority in the matter of CST and VAT demands.

The Group had received demand for the financial years ended 31 March 2017, from Andhra Pradesh VAT on account of Entry Tax and CST demand on the issue of non-deposit of Entry Tax and non-submission of Statutory Forms for ₹ 84.25 lakhs and ₹ 659.46 lakhs respectively. The Group has obtained stay from Hon'ble High Court of Tirupati against entry tax deposited ₹ 21.06 lakhs as per stay order. The Group has also filed appeal before the first appellate authority in the matter of CST demand and got stay of demand by depositing ₹ 82.45 Lakhs.

- (f) In respect of Service tax matter- ₹ 1,646.43 lakhs (as at 31 March 2020: ₹ 1,667.43 Lakhs)

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

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

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

The Group has received order for the period April to March 2017, in respect of Service Tax, levying demand of ₹ 11.19 lakhs on account of disallowance of exemption of Research & Development cess from payment of service tax in the month of March, 2021 and has preferred an appeal before Noida Commissioner of Appeals.

Further the Group has received orders for the period April 2016 to March 2017, in respect of Service Tax, levying demand of ₹ 265.80 lakhs on account of advance revenue received on which service tax has been already paid in financial year 2015-16. Since Service Tax Liability has been already discharged on such advance revenue, The Group has filed appeals before CESTAT. The Group has paid ₹ 19.93 lakhs as pre deposit for filling of appeal.

- (g) In respect of Income tax matters - ₹ 4,938.21 lakhs (as at 31 March 2020: ₹ 4,594.59 Lakhs)

This includes demand for assessment year 2013-14 of ₹ 272.64 lakhs received in the current year by the Group, mainly on account of reduction in the amount of tax incentive claimed, against which the Group has obtained favourable order from CIT-Appeals on the substantial issues and filed second appeal before ITAT, Bench, Chandigarh in June 2020 against the issues on which relief has not been granted.

This includes demand for assessment year 2014-15 of ₹ 3,712.33 lakhs received by the Group, mainly on account of Transfer Pricing Adjustment, disallowance of deduction u/s 80IC from sale of scrap, insurance claim, interest income and interest disallowance u/s 36(i) (iii) etc. The assessee Group has filed appeal before CIT (Appeals) Palampur, which is pending for disposal.

This includes demand for assessment year 2013-14 of ₹ 373.09 lakhs received in the current year by the Group, mainly on account of less deduction on payment made to subsidiary company u/s 194C, rather it should have been deducted u/s 194J, in the assessment order passed by the Assessing officer. The Group has preferred an appeal before CIT (Appeals) Palampur and hopeful to get

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

favourable judgement in view of supported Judgement of Hon'ble Punjab and Haryana High Court and CBDT instructions.

Further the Group has received orders for the period Assessment Year 2016-17, in respect of Income Tax, levying demand of ₹ 580.15 lakhs on account of addition in income without considering the modus operandi of the business of the group. The Group has filed appeal before commissioner of Income Tax (CIT Appeals) The Group has paid ₹ 10.00 lakhs under protest.

(h) In respect of Labour Cess under Building Other Construction Workers Act, 1966 - ₹ 61.11 Lakhs (as at 31 March 2020: ₹ 61.11 Lakhs)

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

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

Further, the group may be liable to pay damages/ interest for specific non- performance of contractual obligation. The actual liability on account of these may differ from the provisions already created in the books of accounts and disclosed as contingent liability.

Due to unascertainable outcome for pending litigation matters with Court/Appellate Authorities, the Company's management expects no material adjustments on the consolidated financial statements.

### 41 : Capital and Other Commitments

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 2,940.81 Lakhs, (31 March 2020: ₹ 7,586.39 Lakhs).
- b) Amount of customs duty exemption availed by the Group under EPCG Scheme amounting to ₹ 2,651.54 lakhs (as at 31 March 2020 ₹ 2,651.54 Lakhs) for which export obligations are required to be fulfilled within stipulated period . The Group has recognised deferred grant income under EPCG scheme upto the Financial year ending 31 March 2021 amounting to ₹ 1,789.75 lakhs (previous year ₹ 1,465.80 lakhs) against which export obligation is yet to fulfilled by the Group.
- c) Bank Guarantee issued by the group to Power Grid Corporation of India Limited for ₹ 2,500.00 Lakh (as at 31 March 2020 is ₹ 2,500.00 Lakh)
- d) Bank guarantees issued by the Group to its customers for ₹ 41,315.00 lakhs (as at 31 March 2020 ₹ 58,093.00 lakhs).
- e) Corporate Guarantee of ₹ 15,000.00 lakhs given to financial institution against loan taken by Group.
- f) Group has issued Performance Bank Guarantee to Solar Energy Corporation of India is ₹ 11,000.00 Lakhs. (as at 31 March 2020 : ₹ 6,000.00 Lakhs)

### 42 : Impact of COVID-19

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

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 43 : Balance Confirmation

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

### 44 : Note on Advance Received from Customers

- During the Financial year ended 31 March 2020, the Group has signed supply contracts for 125.4 MW Wind power projects of 38 Nos of 3300 KW WTG (Model WT3000DF) in the State of Gujarat with Gujarat Fluorochemicals Limited (GFCL). The Company has received the interest bearing advance of ₹ 87,709.22 lakhs against the contracts. The Company is in process of fulfilment of the terms and conditions of the contracts.
- During the Financial year ended 31 March 2020, the Group has signed supply contracts for 250 MW Wind power project of 125 Nos of 2000 KW WTG (model DF/2000/113) with continuum Power Trading (TN) Private Limited. The Group has received the advance of ₹ 3,650.00 lakhs against the contracts. The Group is in process of fulfilment of the terms and conditions of the contracts.

**45 :** Group has work-in-progress inventory amounting ₹ 13,874.43 Lakh ( as at 31 March 2020: ₹ 13,874.43 Lakh) for project development, erection & commissioning work and Common infrastructure facilities in different states. The respective State Governments are yet to announce the policy on Wind Farm Development. In the view of the management, the Group will be able to realise the Inventory on execution of projects once Wind Farm Development policy is announced by respective State Governments.

**46 :** During the Year, no O&M Agreements (Previous year 303) WTGs has been cancelled with different customers and the group's management expects no material adjustments on the Financial Statements since all the common infrastructure O&M remains with the group.

### 47 : Segment Information

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

One external customers contributed 10% or more of the total Group's revenue amounting to ₹ 39,665.67 lakhs (as at 31 March 2020: Two customers amounting to ₹ 28,931.91 lakhs).

### 48 : Revenue from Contracts with Customers as per Ind AS 115

#### (A) Disaggregated revenue information

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

#### Reportable segment/Manufacture of Wind Turbine

Particulars	₹ in Lakhs	
	2020-2021	2019-2020
Major Product/ Service Lines		
Sale of goods	46,181.75	35,542.80

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 48 : Revenue from Contracts with Customers as per Ind AS 115 (Contd..)

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Sale of services	24,331.33	39,800.14
Others	559.56	675.56
<b>Total</b>	<b>71,072.64</b>	<b>76,018.50</b>

### (B) Contract balances

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

### 49 : Income Tax Recognised in Statement of Profit and Loss

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
<b>Current tax</b>		
In respect of the current year	-	10.36
Minimum Alternate Tax (MAT) credit	-	(10.36)
In respect of the earlier years	(400.19)	-
	<b>(400.19)</b>	-
<b>Deferred tax</b>		
In respect of the current year	(14,797.00)	(15,041.12)
In respect of the earlier years	-	0.24
	(14,797.00)	(15,040.88)
<b>Total income tax expense recognised in the current year</b>	<b>(15,197.19)</b>	<b>(15,040.88)</b>

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

	(₹ in Lakhs)	
Particulars	2020-2021	2019-2020
Profit before tax	(45,909.12)	(42,980.95)
Income tax expense calculated at 34.944% (2019-2020: 34.944%)	(16,042.50)	(15,019.26)
Effect of expenses that are not deductible in determining taxable profits	77.94	25.48
Deferred tax on losses of subsidiaries/associates not recognised	1,246.43	-
Others	(78.87)	(47.34)
	<b>(14,797.00)</b>	<b>(15,041.12)</b>
Taxation pertaining to earlier years	(400.19)	0.24
<b>Income tax expense recognised in statement of profit and loss</b>	<b>(15,197.19)</b>	<b>(15,040.88)</b>

The tax rate used for the year ended 31 March 2021 and 31 March 2020 in reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 50 : Leases

#### Group as a lessee

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

Effective 01 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. The Group is not required restate the comparative information.

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

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

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

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April 2019 is 12% p.a.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at 31 March 2019, discounted to the present value at the date of initial application of Ind AS 116, and the value of the lease liability as at 01 April 2019, is on account of exclusion of short term leases.

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

- (c) Particulars of right-to-use assets and lease liabilities:

i. **Carrying Value of Right-of-use Assets by Class of Underlying Assets:**

(₹ in Lakhs)

Particulars	Buildings	Land-leasehold	Total
On recognition and reclassification as at 01 April 2019	-	-	-
Addition for the year	185.03	4,532.78	4,717.81
Depreciation for the year	43.54	162.45	205.98
<b>Balance as at 31 March 2020</b>	<b>141.49</b>	<b>4,370.34</b>	<b>4,511.83</b>
Addition for the year	272.47	-	272.47
Depreciation for the year	157.07	164.46	321.53
<b>Balance as at 31 March 2021</b>	<b>256.89</b>	<b>4,205.88</b>	<b>4,462.77</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 50 : Leases (Contd..)

#### ii. Movement in Lease Liability during Year ended:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
On recognition as at 01 April 2019	-	-
<b>Balance at the beginning of year</b>	<b>208.50</b>	-
Additions during the year	272.47	246.20
Interest on lease liabilities	57.70	29.55
Payment of lease liabilities	(192.24)	(67.25)
<b>Balance at the end of the year</b>	<b>346.43</b>	<b>208.50</b>

#### iii. Contractual Maturities of lease Liabilities as at Reporting Date on an Undiscounted Basis:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Maturity analysis - contractual undiscounted cash flows:		
Less than one year	242.25	67.25
One to five years	132.92	109.78
More than five years	131.47	131.47
<b>Total undiscounted lease liabilities</b>	<b>506.64</b>	<b>308.50</b>

#### iv. Amount Recognized in Statement of Profit and Loss:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Interest on lease liabilities	57.70	29.55
Included in rent expenses: Expense relating to short-term leases	261.46	363.75

#### v. Amounts Recognised in the Statement of Cash Flows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Total cash outflow for leases	440.64	394.48

### 51 : Related Party Disclosures:

#### i. Where Control Exists

Inox Wind Energy Limited - holding company w.e.f. 1 July 2020 - See Note 57

GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) holding company upto 30 June 2020 - See Note 57

Inox Leasing and Finance Limited- ultimate holding company

#### ii. Associates of IWISL

1. Wind One Renergy Private Limited
2. Wind Two Renergy Private Limited
3. Wind Three Renergy Private Limited
4. Wind Four Renergy Private Limited\* (upto 31 December 2020)
5. Wind Five Renergy Private Limited

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

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

#### Key Management Personnel (KMP)

Mr. Devansh Jain - Whole Time Director

Mr. Kailash Lal Tarachandani - Whole-time director & CEO (as a Whole-time director upto 18 May 2020)

Mr. Vineet Valentine Davis - Whole-time director (w.e.f 19 May 2020)

Ms. Bindu Saxena - Non Executive Director

Mr. Chandra Prakash Jain - Non Executive Director (upto 21 October 2019)

Mr. Vineet Valentine Davis - Whole-time director in Inox Wind Infrastructure Services Limited (upto 18 May 2020)

Mr. Vineet Valentine Davis - Non Executive Director in Inox Wind Infrastructure Services Limited (w.e.f. 19 May 2020)

Mr. Mukesh Manglik - Non Executive Director in Inox Wind Infrastructure Services Limited (upto 18 May 2020)

Mr. Mukesh Manglik - Whole-time director in Inox Wind Infrastructure Services Limited (w.e.f. 19 May 2020)

Mr. Shanti Prasad Jain - Non Executive Director

Mr. Siddharth Jain - Non Executive Director (upto 27 July 2020)

Mr. V. Sankaranarayanan - Non Executive Director

Mr. Mukesh Manglik - Non Executive Director (w.e.f. 29 August 2020)

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

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

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

Mr. Vineet Valentine Davis - Non Executive Director in Marut Shakti Energy India Limited

#### Fellow Subsidiaries

Gujarat Fluorochemicals Limited (GFCL) (Earlier known as Inox Fluorochemicals Limited)

Inox Renewables Limited (IRL) - Subsidiary of GFL Limited (upto 01 April 2020) - See Note 57

Inox Renewables (Jaisalmer) Limited (IRJL) - Subsidiary of IRL<sup>#</sup>

Inox Leisure Limited (ILL) - Subsidiary of GFL Limited

Inox Wind Energy Limited (incorporated on 06 March 2020) (upto 30 June 2020) - See Note 57

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

<sup>#</sup>IRJL amalgamated with IRL pursuant to the approval of the Scheme of Amalgamation by National Company Law of Tribunal, Ahmedabad Bench vide its Order dated 03 April 2019. The Appointed Date of the Scheme is 01 April 2018.

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

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

### A) Transactions During the Year:

Particulars	Holding Company		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
<b>Sales</b>										
GFL Limited	18.06	-	-	-	-	-	-	-	18.06	-
Gujarat Fluorochemicals Limited	-	-	514.14	771.93	-	-	-	-	514.14	771.93
Inox Wind Energy Limited	55.06	-	-	-	-	-	-	-	55.06	-
Inox Renewables Limited	-	-	-	652.14	-	-	-	-	-	652.14
Wind One Renergy Private Limited	-	-	-	-	55.61	5,649.66	-	-	55.61	5,649.66
Wind Two Renergy Private Limited	-	-	-	-	253.79	6,216.06	-	-	253.79	6,216.06
Wind Three Renergy Private Limited	-	-	-	-	33.63	1,780.11	-	-	33.63	1,780.11
Wind Four Renergy Private Limited	-	-	-	-	-	11,928.57	-	-	-	11,928.57
Wind Five Renergy Private Limited	-	-	-	-	160.82	18,035.11	-	-	160.82	18,035.11
<b>Total</b>	<b>73.12</b>	<b>-</b>	<b>514.14</b>	<b>1,424.07</b>	<b>503.85</b>	<b>43,609.51</b>	<b>-</b>	<b>-</b>	<b>1,091.11</b>	<b>45,033.58</b>
<b>Sales of Assets</b>										
Gujarat Fluorochemicals Limited	-	-	-	2,062.02	-	-	-	-	-	2,062.02
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,062.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,062.02</b>
<b>Sales return</b>										
Inox Renewables Limited	-	-	-	4,775.24	-	-	-	-	-	4,775.24
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,775.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,775.24</b>
<b>Purchase of goods and services</b>										
Inox Renewables Limited	-	-	-	11,495.24	-	-	-	-	-	11,495.24
Gujarat Fluorochemicals Limited	-	-	1,582.61	-	-	-	-	-	1,582.61	-
GFL Limited	4,333.33	-	-	-	-	-	-	-	4,333.33	-
Inox Wind Energy Limited	9,708.57	-	-	-	-	-	-	-	9,708.57	-
<b>Total</b>	<b>14,041.90</b>	<b>-</b>	<b>1,582.61</b>	<b>11,495.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,624.52</b>	<b>11,495.24</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

### A) Transactions During the Year: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
<b>Interest received</b>										
Wind One Renergy Private Limited	-	-	-	0.05	0.05	-	-	-	0.05	0.05
Wind Three Renergy Private Limited	-	-	-	8.32	8.32	-	-	-	8.71	8.32
Wind Four Renergy Private Limited	-	-	-	403.89	99.69	-	-	-	403.89	99.69
Wind Five Renergy Private Limited	-	-	-	78.03	59.69	-	-	-	78.03	59.69
Wind Four Renergy Private Limited - On NCD	-	-	-	-	19.91	-	-	-	-	19.91
Wind Five Renergy Private Limited - On NCD	-	-	-	-	67.33	-	-	-	-	67.33
<b>Total</b>	<b>1,714.46</b>	<b>1,839.29</b>	<b>8,757.59</b>	<b>4,805.89</b>	<b>490.68</b>	<b>254.99</b>	<b>-</b>	<b>-</b>	<b>490.68</b>	<b>254.99</b>
<b>Interest paid</b>										
GFL Limited - On Inter corporate deposit	340.05	1,809.58	-	-	-	-	-	-	340.05	1,809.58
Inox Leasing and Finance Limited - On Inter corporate deposit	187.50	29.71	-	-	-	-	-	-	187.50	29.71
Inox Wind Energy Limited	1,186.91	-	-	-	-	-	-	-	1,186.91	-
Gujarat Fluorochemicals Limited - On Advance	-	-	8,757.59	4,805.89	-	-	-	-	8,757.59	4,805.89
<b>Total</b>	<b>1,714.46</b>	<b>1,839.29</b>	<b>8,757.59</b>	<b>4,805.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,472.05</b>	<b>6,645.18</b>
<b>Guarantee Charges paid</b>										
GFL Limited	33.55	245.77	67.57	-	-	-	-	-	101.12	245.77
Gujarat Fluorochemicals Limited	-	-	828.79	328.38	-	-	-	-	828.79	328.38
<b>Total</b>	<b>33.55</b>	<b>245.77</b>	<b>896.36</b>	<b>328.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>929.91</b>	<b>574.15</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 51 : Related Party Disclosures: (Contd..)

#### A) Transactions During the Year: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
<b>Reimbursement of expenses paid/payment made on behalf of the Group</b>										
Gujarat Fluorochemicals Limited	-	-	159.53	-	-	-	-	-	365.18	159.53
Inox Wind Energy Limited	331.41	-	-	-	-	-	-	-	331.41	-
Inox Renewables Limited	-	-	29.76	-	-	-	-	-	-	29.76
<b>Total</b>	<b>331.41</b>	<b>-</b>	<b>189.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>696.59</b>	<b>189.29</b>
<b>Rent Paid</b>										
Gujarat Fluorochemicals Limited	-	-	75.56	-	-	-	-	-	75.29	75.56
<b>Total</b>	<b>-</b>	<b>-</b>	<b>75.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75.29</b>	<b>75.56</b>
<b>Reimbursement of expenses received/payment made on behalf by the Group</b>										
GFL Limited	14.92	-	-	-	-	-	-	-	14.92	-
Inox Wind Energy Limited	18.21	-	-	-	-	-	-	-	18.21	-
Gujarat Fluorochemicals Limited	-	-	52.718	-	-	-	-	-	-	52.718
Inox Renewables Limited	-	-	39.20	-	-	-	-	-	-	39.20
<b>Total</b>	<b>33.13</b>	<b>-</b>	<b>566.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.13</b>	<b>566.38</b>
<b>Advance received against sale of goods/services</b>										
GFL Limited	-	-	-	-	-	-	-	-	-	-
Gujarat Fluorochemicals Limited	-	-	87,188.58	-	-	-	-	-	591.42	87,188.58
Wind Four Renergy Private Limited	-	-	-	-	-	1,143.76	-	-	-	1,143.76
<b>Total</b>	<b>-</b>	<b>-</b>	<b>87,188.58</b>	<b>-</b>	<b>1,143.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591.42</b>	<b>88,332.34</b>
<b>Advance received back</b>										
Inox Wind Energy Limited	2,009.03	-	-	-	-	-	-	-	2,009.03	-
<b>Total</b>	<b>2,009.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,009.03</b>	<b>-</b>
<b>Loan from directors</b>										
Devansh Jain	-	-	-	-	-	-	-	1,000.00	1,000.00	-

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

### A) Transactions During the Year: (Contd..)

(₹ in Lakhs)

Particulars	Holding Company		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
<b>Total</b>	-	-	-	-	-	-	1,000.00	-	1,000.00	-
<b>Inter-corporate deposits taken</b>										
GFL Limited	-	515.00	-	-	-	-	-	-	-	515.00
Inox Wind Energy Limited	6,531.00	-	-	-	-	-	-	-	6,531.00	-
Inox Leasing and Finance Limited	-	2,500.00	-	-	-	-	-	-	-	2,500.00
<b>Total</b>	<b>6,531.00</b>	<b>3,015.00</b>	-	-	-	-	-	-	<b>6,531.00</b>	<b>3,015.00</b>
<b>Inter-corporate deposits refunded</b>										
GFL Limited	-	530.00	-	-	-	-	-	-	-	530.00
<b>Total</b>	-	<b>530.00</b>	-	-	-	-	-	-	-	<b>530.00</b>
<b>Inter corporate deposits given</b>										
Wind One Renergy Private Limited	-	-	-	-	-	0.04	-	-	-	0.04
Wind Three Renergy Private Limited	-	-	-	-	-	20.83	-	-	-	20.83
Wind Four Renergy Private Limited	-	-	-	-	248.63	7,178.87	-	-	248.63	7,178.87
Wind Five Renergy Private Limited	-	-	-	-	-	650.26	-	-	-	650.26
<b>Total</b>	-	-	-	-	<b>248.63</b>	<b>7,850.00</b>	-	-	<b>248.63</b>	<b>7,850.00</b>
<b>Inter corporate deposits received back</b>										
Wind Four Renergy Private Limited	-	-	-	-	650.70	-	-	-	650.70	-
<b>Total</b>	-	-	-	-	<b>650.70</b>	-	-	-	<b>650.70</b>	-
<b>Debenture Redemption</b>										
Wind Four Renergy Private Limited - On NCD	-	-	-	-	-	6,567.00	-	-	-	6,567.00

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

### A) Transactions During the Year: (Contd..)

Particulars	Holding Company		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
	(₹ in Lakhs)									
Wind Five Renergy Private Limited - On NCD	-	-	-	-	-	3,979.00	-	-	-	3,979.00
<b>Total</b>	-	-	-	-	-	<b>10,546.00</b>	-	-	-	<b>10,546.00</b>
<b>Investment in Equity Shares</b>										
Wind Four Renergy Private Limited	-	-	-	-	740.40	-	-	-	740.40	-
<b>Total</b>	-	-	-	-	<b>740.40</b>	-	-	-	<b>740.40</b>	-

### B) Outstanding Balances as at End of the Year:

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	(₹ in Lakhs)									
<b>i) Amounts Payable</b>										
<b>Advance from customers</b>										
GFL Limited	-	27,070.00	-	-	-	-	-	-	-	27,070.00
Gujarat Fluorochemicals Limited	-	-	87,780.00	87,188.58	-	-	-	-	87,780.00	87,188.58
Inox Wind Energy Limited	27,070.00	-	-	-	-	-	-	-	27,070.00	-
Wind Four Renergy Private Limited	-	-	-	-	-	1,143.76	-	-	-	1,143.76
<b>Total</b>	<b>27,070.00</b>	<b>27,070.00</b>	<b>87,780.00</b>	<b>87,188.58</b>	-	<b>1,143.76</b>	-	-	<b>1,14,850.00</b>	<b>1,15,402.34</b>
<b>Trade and other payables</b>										
Inox Renewables Limited	-	-	-	332.69	-	-	-	-	-	332.69
Gujarat Fluorochemicals Limited	-	-	2,717.88	391.54	-	-	-	-	2,717.88	391.54
GFL Limited	-	1,428.50	1,345.42	-	-	-	-	-	1,345.42	1,428.50
Inox Wind Energy Limited	13,603.08	-	-	-	-	-	-	-	13,603.08	-
<b>Total</b>	<b>13,603.08</b>	<b>1,428.50</b>	<b>4,063.30</b>	<b>724.23</b>	-	-	-	-	<b>17,666.38</b>	<b>2,152.73</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 51 : Related Party Disclosures: (Contd..)

B) Outstanding Balances as at End of the Year: (Contd..)

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	(₹ in Lakhs)									
<b>Inter-Corporate deposit Payable</b>										
GFL Limited	-	19,485.00	-	-	-	-	-	-	-	19,485.00
Inox Wind Energy Limited	26,016.00	-	-	-	-	-	-	-	26,016.00	-
Inox Leasing and Finance Limited	2,500.00	2,500.00	-	-	-	-	-	-	2,500.00	2,500.00
<b>Total</b>	<b>28,516.00</b>	<b>21,985.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,516.00</b>	<b>21,985.00</b>
<b>Loan from Directors</b>										
Devansh Jain	-	-	-	-	-	-	1,000.00	-	1,000.00	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000.00</b>	<b>-</b>	<b>1,000.00</b>	<b>-</b>
<b>Commission payable</b>										
Devansh Jain	-	-	-	-	-	-	63.22	-	63.22	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63.22</b>	<b>-</b>	<b>63.22</b>	<b>-</b>
<b>Interest payable on inter-corporate deposits taken</b>										
GFL Limited	-	745.89	-	-	-	-	-	-	-	745.89
Inox Wind Energy Limited	2,158.34	-	-	-	-	-	-	-	2,158.34	-
Inox Leasing and Finance Limited	200.18	26.74	-	-	-	-	-	-	200.18	26.74
<b>Total</b>	<b>2,358.52</b>	<b>772.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,358.52</b>	<b>772.64</b>
<b>Interest payable on account of Advances &amp; Corporate guarantee</b>										
Gujarat Fluorochemicals Limited - Interest on Advance	-	-	12,426.10	4,712.82	-	-	-	-	12,426.10	4,712.82
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,426.10</b>	<b>4,712.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,426.10</b>	<b>4,712.82</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 51 : Related Party Disclosures: (Contd..)

### B) Outstanding Balances as at End of the Year: (Contd..)

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	(₹ in Lakhs)									
<b>ii) Amount Receivable</b>										
<b>Trade and other receivable</b>										
Gujarat Fluorochemicals Limited	-	-	-	2,996.18	-	-	-	-	-	2,996.18
Inox Renewables Limited	-	-	-	2,873.14	-	-	-	-	-	2,873.14
Inox Wind Energy Limited	314.56	-	-	-	-	-	-	-	314.56	-
Wind One Renergy Private Limited	-	-	-	-	3,446.84	3,483.72	-	-	3,446.84	3,483.72
Wind Two Renergy Private Limited	-	-	-	-	4,773.44	6,105.60	-	-	4,773.44	6,105.60
Wind Four Renergy Private Limited	-	-	-	-	-	10,953.13	-	-	-	10,953.13
Wind Three Renergy Private Limited	-	-	-	-	753.96	679.38	-	-	753.96	679.38
Wind Five Renergy Private Limited	-	-	-	-	4.81	-	-	-	4.81	-
<b>Total</b>	<b>314.56</b>	<b>-</b>	<b>-</b>	<b>5,869.32</b>	<b>8,979.05</b>	<b>21,221.83</b>	<b>-</b>	<b>-</b>	<b>9,293.61</b>	<b>27,091.15</b>
<b>Inter-corporate deposit receivable</b>										
Wind One Renergy Private Limited	-	-	-	-	0.45	0.45	-	-	0.45	0.45
Wind Three Renergy Private Limited	-	-	-	-	72.57	72.57	-	-	72.57	72.57
Wind Four Renergy Private Limited	-	-	-	-	-	7,178.87	-	-	-	7,178.87
Wind Five Renergy Private Limited	-	-	-	-	650.26	650.26	-	-	650.26	650.26
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>723.28</b>	<b>7,902.15</b>	<b>-</b>	<b>-</b>	<b>723.28</b>	<b>7,902.15</b>

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 51 : Related Party Disclosures: (Contd..)

#### B) Outstanding Balances as at End of the Year: (Contd..)

Particulars	Holding/subsidiary companies		Fellow subsidiaries		Associates		Key Management Personnel (KMP)		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	(₹ in Lakhs)									
<b>Interest accrued on inter-corporate deposits given</b>										
Wind One Renergy Private Limited	-	-	-	-	0.17	0.12	-	-	0.17	0.12
Wind Three Renergy Private Limited	-	-	-	-	16.78	8.73	-	-	16.78	8.73
Wind Four Renergy Private Limited	-	-	-	-	-	89.72	-	-	-	89.72
Wind Five Renergy Private Limited	-	-	-	-	125.90	53.72	-	-	125.90	53.72
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142.85</b>	<b>152.29</b>	<b>-</b>	<b>-</b>	<b>142.85</b>	<b>152.29</b>

#### C) Guarantees

GFL Limited ("GFL") (earlier known as Gujarat Fluorochemicals Limited), the holding company, has issued guarantee and provided security in respect of borrowings by the Company. The outstanding balances of such borrowings as at 31 March 2021 is ₹ 7,453 lakh. (31 March 2020 is ₹ 31,900.00 lakhs). Further GFL Limited has issued performance Bank guarantee as at 31 March 2021 is ₹ 3,425 Lakhs, (31 March 2020 is ₹ 1,08700 lakhs)

Gujarat Fluorochemicals Limited (GFL) (earlier known as Inox Fluorochemicals Limited), the fellow subsidiary company, has issued guarantee and provided security in respect of borrowings by the Group. The outstanding balances of such borrowings as at 31 March 2021 is ₹ 1,33,093.00 lakh (31 March 2020 is ₹ 39,706.16 lakh). Further Gujarat Fluorochemicals Limited has issued performance Bank guarantee as at 31 March 2021 is ₹ 3,425 lakh (31 March 2020 is ₹ 2,08700 Lakhs).

Notes:

- Sales, purchases and service transactions with related parties are made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts/provision of goods and services.
- No expense has been recognised for the year ended 31 March 2021, 31 March 2020 for bad or doubtful trade receivables in respect of amounts owed by related parties.

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 51 : Related Party Disclosures: (Contd..)

#### C) Guarantees

- (d) There have been no other guarantees received or provided for any related party receivables or payables.  
 (e) Compensation of Key management personnel:

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
(i) Remuneration paid:		
Mr. Devansh Jain	92.64	92.64
Mr. Kailash Lal Tarachandani	546.58	147.11
Mr. Manoj Dixit	33.11	33.43
Mr. Vineet Valentine Davis	91.80	42.01
Mr. Mukesh Manglik	49.94	-
(ii) Sitting fees paid to directors	12.80	12.40
<b>Total</b>	<b>826.87</b>	<b>327.59</b>

Particulars	(₹ in Lakhs)	
	2020-2021	2019-2020
Short term benefits	814.07	315.19
Post employment benefits*	-	-
Long term employment benefits*	-	-
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	12.80	12.40
<b>Total</b>	<b>826.87</b>	<b>327.59</b>

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

The remuneration of directors and Key Management Personnel (KMP) is determined by the Nomination and Remuneration Committee having regard to the performance of individuals and market trends. Contribution to provident fund (defined contribution plan) is ₹ 16.86 lakhs (previous year ₹ 12.10 lakhs) included in the amount of remuneration reported above.

### 52 : Terms of Repayment and Securities for Non-current Borrowings

#### a) Debentures (Secured):

- i) 3,000 non convertible redeemable debentures of ₹ 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9% p.a. payable semi annually. The maturity pattern of the debentures is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
	Principal	Principal
Month		
Sep-20	-	5,000.00
<b>Total</b>	<b>-</b>	<b>5,000.00</b>

The above debentures are secured by sole and exclusive charge by way of hypothecation of fixed assets and certain immovable assets of Inox Wind Infrastructure Services Limited and unconditional and irrevocable guarantee by Gujarat Fluorochemicals Limited.

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 52 : Terms of Repayment and Securities for Non-current Borrowings (Contd..)

#### a) Debentures (Secured): (Contd..)

- ii) 1,990 non convertible redeemable debentures of ₹ 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9.50% p.a. payable semi annually. The maturity pattern of the debentures is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
May-22	4,900.00	-
November-22	5,000.00	-
May-23	5,000.00	-
November-23	5,000.00	-
<b>Total</b>	<b>19,900.00</b>	<b>-</b>

The above Non-Convertible Debenture (NCDs) -Debenture Trustee-Catalyst Trusteeship Limited Secured by an unconditional, irrevocable and continuing Corporate guarantee from Gujarat Fluorochemicals Limited.

- a) First pari passu charge on all the movable fixed assets of the issuer, both present and future, for avoidance of doubt it is hereby clarified that no charge will be created on current assets including book debts, receivable etc:
- b) First pari passu charge on the industrial plot of the issuer situated in the industrial area Basal ,Tehsil & District Una Himanchal pradesh including any building and structures standing, things attached or affixed or embedded there to.
- c) First pari passu charge on non-agricultural land situated at mouje village Rohika Taluka Bavla, in District Ahmedabad, sub District Sholka & Bavla including any building and structures standing, things attached or affixed or embedded there to.
- iii) 1,950 non convertible redeemable debentures of ₹ 10 Lakhs each fully paid up, are issued at par, and carry interest @ 9.50% p.a. payable semi annually. The maturity pattern of the debentures is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
September-21	3,500.00	-
March-22	4,000.00	-
September-22	4,000.00	-
March-23	4,000.00	-
September-23	4,000.00	-
<b>Total</b>	<b>19,500.00</b>	<b>-</b>

First pari passu charge on all the movable fixed assets and first ranking exclusive charge on the immovable property of the Issuer situated in the districts of Amreli, Surendranagar and Rajkot in Gujarat. NCD's are further secured by an unconditional, irrevocable and continuing Corporate guarantee from "Gujarat Fluorochemicals Limited".

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 52 : Terms of Repayment and Securities for Non-current Borrowings (Contd..)

#### b) Rupee Term Loan from Axis Finance Ltd:

Rupee term loan is secured by first charge of lien of FMP/other select debt mutual funds acceptable to Axis Finance provided by Gujarat Fluorochemicals Limited and carries interest @ 9.75% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
August-20	-	5,056.16
<b>Total</b>	<b>-</b>	<b>5,056.16</b>

#### c) Rupee Term Loan from Yes Bank Ltd:

Rupee term loan taken from Yes Bank Ltd is secured by unconditional and irrevocable corporate guarantee from Gujarat Fluorochemicals Limited and second charge on existing and future movable fixed assets of the Group and carries interest @ 9.85% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
July-20	-	2,000.00
January-21	-	2,500.00
July-21	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>7,000.00</b>

#### d) Rupee Term Loan from Aditya Birla Finance Ltd\*:

Rupee term loan is taken from Aditya Birla Finance Ltd is secured by second pari passu charges on the current assets, cash flows and receivables both present & Future of the Group and carries interest @ 10.50% p.a. Principal repayment pattern of the loan is as under:

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
April-20	-	300.00
July-20	-	550.00
October-20	-	550.00
January-21	-	550.00
April-21	-	550.00
July-21	-	700.00
October-21	-	700.00
January-22	-	700.00
April-22	-	700.00
July-22	-	800.00
October-22	-	800.00
January-23	-	800.00
April-23	-	800.00
July-23	-	400.00
<b>Total</b>	<b>-</b>	<b>8,900.00</b>

\*Prepayment during the year

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 52 : Terms of Repayment and Securities for Non-current Borrowings (Contd..)

### e) Rupee Term Loan from IndusInd Bank Ltd:

Rupee term loan is taken from IndusInd Bank Ltd is secured by second pari passu charges on the current assets, cash flows and receivables both present & Future of the Group and carries interest @ MCLR plus 0.20% p.a. Principal repayment pattern of the loan is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
June-20	-	400.00
September-20	-	400.00
December-20	-	400.00
March-21	400.00	400.00
June-21	400.00	400.00
September-21	500.00	500.00
December-21	500.00	500.00
March-22	500.00	500.00
June-22	500.00	500.00
September-22	500.00	500.00
<b>Total</b>	<b>3,300.00</b>	<b>4,500.00</b>

### f) Short term loan from Arka Fincap Limited:

Short term loan is taken from Arka Fincap Limited by second pari passu charges on the current assets, cash flows and receivables both present & Future of the Group and carries interest @ 12.5% p.a. Principal repayment pattern of the loan is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
June-20	-	750.00
September-20	-	3,500.00
<b>Total</b>	<b>-</b>	<b>4,250.00</b>

### g) Working capital long term loan from Yes Bank Ltd:

Working capital long term loan is secured by second pari passu charge on existing & future movable fixed assets and current assets to Yes Bank carries interest MCLR+1% with a capping @ 9.25% p.a. 100% credit guarantee by National Credit Guarantee Trust Company Limited. Principal repayment pattern of the loan is as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Month	Principal	Principal
January-22	50.00	-
February-22	50.00	-
March-22	50.00	-
April-22	50.00	-
May-22	50.00	-
June-22	50.00	-

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 52 : Terms of Repayment and Securities for Non-current Borrowings (Contd..)

#### g) Working capital long term loan from Yes Bank Ltd: (Contd..)

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Month	Principal	Principal
July-22	50.00	-
August-22	50.00	-
September-22	50.00	-
October-22	50.00	-
November-22	50.00	-
December-22	50.00	-
January-23	50.00	-
February-23	50.00	-
March-23	50.00	-
April-23	50.00	-
May-23	50.00	-
June-23	50.00	-
July-23	50.00	-
August-23	50.00	-
September-23	50.00	-
October-23	50.00	-
November-23	50.00	-
December-23	50.00	-
January-24	50.00	-
February-24	50.00	-
March-24	50.00	-
April-24	50.00	-
May-24	50.00	-
June-24	50.00	-
July-24	50.00	-
August-24	50.00	-
September-24	50.00	-
October-24	50.00	-
November-24	50.00	-
December-24	50.00	-
January-25	50.00	-
February-25	50.00	-
March-25	50.00	-
April-25	50.00	-
May-25	50.00	-
June-25	50.00	-
July-25	50.00	-
August-25	50.00	-
September-25	50.00	-
October-25	50.00	-
November-25	50.00	-
December-25	50.00	-
<b>Total</b>	<b>2,400.00</b>	<b>-</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 52 : Terms of Repayment and Securities for Non-current Borrowings (Contd..)

### h) Rupee Term Loan from Power Finance Corporation:

#### Rate of Interest:

The rate of interest is 10.50 % , with 1 year reset as per PFC policy.

#### Repayment of Loan:

The loan shall be repaid in 204 structured monthly instalment, payable on standard due dates, commencing from the standard due date, falling 12 months after scheduled COD of the project or COD, whichever is earlier.

#### Primary Security:

First charge by way of mortgage over all the immovable properties and hypothecation of movable properties, over all the intangible, goodwill, uncalled capital and First charge on operating cash flows, book debts, receivables, commissions, revenues.

### i) Other Term Loans:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Rupee term loan from Bank is secured by extension of first exclusive charges on immovable fixed assets of the Group at Una, Himachal Pradesh & Bavla (Rohika), Gujarat excluding charge on land bearing survey no. 129/13 at Bavla and first exclusive charge on existing and future movable fixed assets of the Group at Bavla, Gujarat and First pari passu charges on movable fixed assets of the Group at Una, Himachal Pradesh (along with existing charge of District Industries Centre, Himachal Pradesh of ₹ 3.0 million), carries interest @ 9.10% to 10.38% p.a. and is repayable in 20 quarterly instalments starting from 30 June 2017. The loan has been classified as current liability pursuant to the terms of sanction letter.	-	8,911.19
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 11.28% p.a. The loan is repayable in 36 monthly instalments starting from 03 March 2017.	-	56.51
Vehicle term loan from others is secured by hypothecation of the said vehicle and carries interest @ 9.45% p.a. The loan is repayable in 36 monthly instalments starting from 04 March 2020.	46.56	54.44

## 52A : Terms of Repayment and Securities for Current Borrowings

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Supplier's credit facilities are secured by first pari-passu charge on the current assets second pari-passu on Fixed Assets of the Group, letter of comfort from M/s GFL Limited & M/s Gujarat Fluorochemicals and carry interest rate of applicable LIBOR plus bank's spread which is generally in the range of 0.22% to 0.85%.	11,996.49	4,891.58
Working capital demand loans are secured by first pari-passu charge on the current assets, letter of comfort/corporate guarantee from M/s GFL Limited & M/s Gujarat Fluorochemicals Limited and carries interest rate in the range on 9.10% -13.63% p.a.	15,362.52	16,895.63
Cash credit facilities are secured by first pari-passu charge on the current assets, letter of comfort/corporate guarantee from M/s GFL Limited & M/s Gujarat Fluorochemicals Limited and carries interest rate in the range on 9.40% -13.63% p.a.	9,960.66	11,731.46

## Notes to the Consolidated Financial statement

for the year ended 31 March 2021

### 52A : Terms of Repayment and Securities for Current Borrowings (Contd..)

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Over draft facilities are secured by lien on Fixed deposit provided by Gujarat Fluorochemicals Limited and carries interest rate of 9.25% p.a.	3,536.20	-
Other Loan - (Arka Finance) was secured by Unconditional Corporate guarantee from Gujarat Fluorochemicals Limited, first pari-passu charge over the movable fixed assets of Inox Wind Infrastructure Services Limited, both present and future, ISRA equivalent to 2 month's interest payment to be created in favour of the lender and carries interest rate in the range of 12.50% p.a.	3,000.00	-
Other Loan - (Invoice Purchase Finance) was secured by first pari-passu charge on the current assets of the Group and carries interest rate in the range of 8.25%-8.75% p.a.	-	1,033.45
Cash credit taken from yes bank carries interest @ MCLR plus 0.35% against corporate guarantee of Gujarat Fluorochemicals Limited.	7,453.79	5,048.24
Over Draft facility taken from IDBI bank Limited carries interest @ MCLR plus 15bps pa against Fixed Deposit of Gujarat Fluorochemicals Limited	18,199.48	-
Over Draft facility taken from ICICI bank carries interest rate of contracted FD+2% and secured by fixed deposits place with ICICI bank.	89.82	-

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

### 53 : Details of Subsidiaries

Details of the Group's Subsidiaries are as follows:

Name of subsidiary	Place of incorporation and operations	(₹ in Lakhs)	
		Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2021	As at 31 March 2020
Inox Wind Infrastructure Services Limited (IWISL)	India	98.41%	100.00%
Waft Energy Private Limited	India	100.00%	100.00%
<b>Subsidiaries of IWISL:</b>			
Marut Shakti Energy India Limited	India	100.00%	100.00%
Satviki Energy Private Limited	India	100.00%	100.00%
Sarayu Wind Power (Tallimadugula) Private Limited	India	100.00%	100.00%
Vinirmaa Energy Generation Private Limited	India	100.00%	100.00%
Sarayu Wind Power (Kondapuram) Private Limited	India	100.00%	100.00%
RBRK Investments Limited	India	100.00%	100.00%
Vasuprada Renewables Private Limited	India	100.00%	100.00%
Suswind Power Private Limited	India	100.00%	100.00%
Ripudaman Urja Private Limited	India	100.00%	100.00%
Vibhav Energy Private Limited	India	100.00%	100.00%
Haroda Wind Energy Private Limited	India	100.00%	100.00%
Vigodi Wind Energy Private Limited	India	100.00%	100.00%
Aliento Wind Energy Private Limited	India	100.00%	100.00%
Tempest Wind Energy Private Limited	India	100.00%	100.00%
Flurry Wind Energy Private Limited	India	100.00%	100.00%
Vuelta Wind Energy Private Limited	India	100.00%	100.00%

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 53 : Details of Subsidiaries (Contd..)

(₹ in Lakhs)

Name of subsidiary	Place of incorporation and operations	Proportion of ownership interest and voting power held by the Group	
		As at	As at
		31 March 2021	31 March 2020
Flutter Wind Energy Private Limited	India	100.00%	100.00%
Nani Virani Wind Energy Private Limited	India	100.00%	100.00%
Ravapar Wind Energy Private Limited	India	100.00%	100.00%
Khatiyu Wind Energy Private Limited	India	100.00%	100.00%
Sri Pavan Energy Private Limited	India	-	51.00%
Resco Global Wind Service Private Limited	India	100.00%	100.00%
Wind Four Renergy Private Limited (w.e.f. 01 January 2021)	India	100.00%	-
<b>Associates of IWISL:</b>			
Wind Two Renergy Private Limited	India	100.00%	100.00%
Wind Four Renergy Private Limited (upto 31 December 2020)	India	100.00%	100.00%
Wind Five Renergy Private Limited	India	100.00%	100.00%
Wind One Renergy Private Limited	India	100.00%	100.00%
Wind Three Renergy Private Limited	India	100.00%	100.00%

Inox Wind Infrastructure Services Limited (IWISL) is engaged in the business of providing EPC, O&M, Common Infrastructure Facilities services for WTGs and development of wind farms.

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

The financial year of the above companies is 01 April to 31 March.

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

See Note 7 & 51 in respect of particulars of associate company which have become subsidiary company during the year.

## 54 : Disclosure of Additional Information as Required by the Schedule III:

### (A) As at and for the year ended 31 March 2021:

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
	<b>Parent</b>							
Inox Wind Limited	120.71%	1,58,872.37	63.75%	(19,579.69)	44.10%	11.52	63.77%	(19,568.17)
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Waft Energy Private Limited	0.00%	(2.06)	0.01%	(1.85)	0.00%	-	0.01%	(1.85)
Inox Wind Infrastructure Services Limited	8.16%	10,738.18	23.42%	(7,191.88)	55.90%	14.60	23.39%	(7,177.28)
Marut Shakti Energy India Limited	(1.57%)	(2,065.08)	0.53%	(163.33)	0.00%	-	0.53%	(163.33)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.10%)	(126.91)	0.01%	(3.57)	0.00%	-	0.01%	(3.57)

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 54 : Disclosure of Additional Information as Required by the Schedule III: (Contd..)

### (A) As at and for the year ended 31 March 2021: (Contd..)

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
Sarayu Wind Power (Kondapuram) Private Limited	(0.06%)	(75.61)	0.05%	(16.37)	0.00%	-	0.05%	(16.37)
Satviki Energy Private Limited	0.06%	74.06	0.00%	(1.03)	0.00%	-	0.00%	(1.03)
Vinirrrmaa energy generation Private Limited	(0.12%)	(162.65)	0.07%	(22.42)	0.00%	-	0.07%	(22.42)
RBRK Investments Limited	(1.28%)	(1,681.83)	0.84%	(257.39)	0.00%	-	0.84%	(257.39)
Ripudaman Urja Private Limited	(0.00%)	(2.50)	0.00%	(0.66)	0.00%	-	0.00%	(0.66)
Suswind Power Private Limited	(0.03%)	(37.72)	0.04%	(12.79)	0.00%	-	0.04%	(12.79)
Vasuprada Renewables Private Limited	(0.00%)	(2.72)	0.00%	(0.72)	0.00%	-	0.00%	(0.72)
Vibhav Energy Private Limited	(0.00%)	(4.12)	0.00%	(1.27)	0.00%	-	0.00%	(1.27)
Haroda Wind Energy Private Limited	(0.00%)	(3.54)	0.01%	(2.39)	0.00%	-	0.01%	(2.39)
Vigodi Wind Energy Private Limited	(0.00%)	(3.47)	0.01%	(2.36)	0.00%	-	0.01%	(2.36)
Aliento Wind Energy Private Limited	(0.03%)	(33.61)	0.04%	(12.53)	0.00%	-	0.04%	(12.53)
Tempest Wind Energy Private Limited	(0.03%)	(33.38)	0.04%	(12.30)	0.00%	-	0.04%	(12.30)
Flurry Wind Energy Private Limited	(0.03%)	(33.57)	0.04%	(12.49)	0.00%	-	0.04%	(12.49)
Vuelta Wind Energy Private Limited	(0.03%)	(33.36)	0.04%	(12.22)	0.00%	-	0.04%	(12.22)
Flutter Wind Energy Private Limited	(0.03%)	(38.69)	0.04%	(12.75)	0.00%	-	0.04%	(12.75)
Nani Virani Wind Energy Private Limited	6.47%	8,517.16	0.03%	(9.66)	0.00%	-	0.03%	(9.66)
Ravapar Wind Energy Private Limited	(0.00%)	(3.86)	0.01%	(2.68)	0.00%	-	0.01%	(2.68)
Khatiyu Wind Energy Private Limited	(0.00%)	(3.87)	0.01%	(2.69)	0.00%	-	0.01%	(2.69)
Resco Global Wind Service Private Limited	(0.02%)	(29.65)	0.05%	(14.20)	0.00%	-	0.05%	(14.20)
Wind Four Renergy Private Limited (w.e.f. 1 January 2021)*	(2.30%)	(3,033.58)	15.74%	(4,834.63)	0.00%	-	15.76%	(4,834.63)
Non-controlling Interest in subsidiaries	0.01%	15.99	0.51%	(155.92)	-0.11%	(0.03)	0.51%	(155.95)
<b>Associates</b>								
Wind Two Renergy Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Wind Four Renergy Private Limited (upto 31 December 2020)*	0.00%	-	2.57%	(790.35)	0.00%	-	2.58%	(790.35)
Wind Five Renergy Private Limited	(1.41%)	(1,851.00)	6.03%	(1,851.00)	0.00%	-	6.03%	(1,851.00)
Wind One Renergy Private Limited	0.00%	(1.00)	0.00%	(1.00)	0.00%	-	0.00%	(1.00)
Wind Three Renergy Private Limited	0.00%	(1.00)	0.00%	(1.00)	0.00%	-	0.00%	(1.00)
Consolidation eliminations / adjustments	(28.37%)	(37,341.89)	(13.91%)	4,271.22	0.11%	0.03	(13.92%)	4,271.25
<b>Total</b>	<b>100.00%</b>	<b>1,31,611.09</b>	<b>100.00%</b>	<b>(30,711.93)</b>	<b>100.00%</b>	<b>26.12</b>	<b>100.00%</b>	<b>(30,685.81)</b>

(\*) See Note 7 &amp; Note 51

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 54 : Disclosure of Additional Information as Required by the Schedule III: (Contd..)

### (B) As at and for the year ended 31 March 2020:

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)
<b>Parent</b>								
Inox Wind Limited	105.86%	1,78,440.54	81.29%	(22,711.18)	78.56%	78.38	81.30%	(22,632.80)
<b>Subsidiaries (Group's share)</b>								
<b>Indian</b>								
Waft Energy Private Limited	(0.00%)	(0.20)	0.00%	(0.65)	0.00%	-	0.00%	(0.65)
Inox Wind Infrastructure Services Limited	4.71%	7,942.27	20.58%	(5,750.13)	21.44%	21.39	20.58%	(5,728.74)
Marut Shakti Energy India Limited	(1.13%)	(1,901.75)	0.88%	(245.67)	0.00%	-	0.88%	(245.67)
Sarayu Wind Power (Tallimadugula) Private Limited	(0.07%)	(123.34)	0.06%	(15.90)	0.00%	-	0.06%	(15.90)
Sarayu Wind Power (Kondapuram) Private Limited	(0.04%)	(59.24)	0.06%	(15.78)	0.00%	-	0.06%	(15.78)
Satviki Energy Private Limited	0.04%	75.09	0.00%	(1.23)	0.00%	-	0.00%	(1.23)
Vinirraa energy generation Private Limited	(0.08%)	(140.23)	0.10%	(26.72)	0.00%	-	0.10%	(26.72)
RBRK Investments Limited	(0.85%)	(1,424.44)	0.74%	(207.05)	0.00%	-	0.74%	(207.05)
Ripudaman Urja Private Limited	(0.00%)	(1.84)	0.00%	(0.76)	0.00%	-	0.00%	(0.76)
Suswind Power Private Limited	(0.01%)	(24.93)	0.03%	(8.00)	0.00%	-	0.03%	(8.00)
Vasuprada Renewables Private Limited	(0.00%)	(2.00)	0.00%	(0.80)	0.00%	-	0.00%	(0.80)
Vibhav Energy Private Limited	(0.00%)	(2.85)	0.01%	(1.53)	0.00%	-	0.01%	(1.53)
Haroda Wind Energy Private Limited	(0.00%)	(1.15)	0.00%	(0.72)	0.00%	-	0.00%	(0.72)
Vigodi Wind Energy Private Limited	(0.00%)	(1.11)	0.00%	(0.71)	0.00%	-	0.00%	(0.71)
Aliento Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.75)	0.00%	-	0.03%	(7.75)
Tempest Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	0.00%	-	0.03%	(7.74)
Flurry Wind Energy Private Limited	(0.01%)	(21.08)	0.03%	(7.74)	0.00%	-	0.03%	(7.74)
Vuelta Wind Energy Private Limited	(0.01%)	(21.14)	0.03%	(7.90)	0.00%	-	0.03%	(7.90)
Flutter Wind Energy Private Limited	(0.02%)	(25.94)	0.03%	(8.07)	0.00%	-	0.03%	(8.07)
Nani Virani Wind Energy Private Limited	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
Ravapar Wind Energy Private Limited	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
Khatiyu Wind Energy Private Limited	(0.00%)	(1.18)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
Sri Pavan Energy Private Limited	(0.01%)	(15.16)	(0.23)%	63.44	0.00%	-	(0.23)%	63.44
Resco Global Wind Service Private Limited	(0.01%)	(15.45)	0.06%	(16.45)	0.00%	-	0.06%	(16.45)
Non- Controlling Interest in subsidiaries	(0.00%)	(7.43)	(0.11)%	31.09	0.00%	-	(0.11)%	31.09
<b>Associates</b>								
Wind Two Renergy Private Limited	0.00%	-	(0.01)%	2.91	0.00%	-	(0.01)%	2.91
Wind Four Renergy Private Limited	0.00%	-	(0.01)%	2.61	0.00%	-	(0.01)%	2.61
Wind Five Renergy Private Limited	0.00%	-	(0.06)%	16.36	0.00%	-	(0.06)%	16.36
Wind One Renergy Private Limited	0.00%	-	0.00%	1.00	0.00%	-	0.00%	1.00
Wind Three Renergy Private Limited	0.00%	-	0.00%	1.00	0.00%	-	0.00%	1.00
Consolidation eliminations / adjustments	(8.35%)	(14,066.31)	(3.53)%	987.49	0.00%	-	(3.55)%	987.49
<b>Total</b>	<b>100.00%</b>	<b>1,68,556.60</b>	<b>100.00%</b>	<b>(27,940.07)</b>	<b>100.00%</b>	<b>99.77</b>	<b>100.00%</b>	<b>(27,840.30)</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 55 : Interest in Other Entities

### Summarised Financial Information:

(₹ in Lakhs)

Particulars	Associates	
	As at	As at
	31 March 2021	31 March 2020
<b>Non-Current Assets</b>	1,26,853.67	1,51,244.26
<b>Current Assets</b>		
i) Cash and cash equivalent	832.16	2,023.73
ii) Others	2,729.13	1,338.16
<b>Total Current Asset</b>	<b>3,561.29</b>	<b>3,361.89</b>
<b>Total Asset</b>	<b>1,30,414.96</b>	<b>1,54,606.15</b>
<b>Non-Current Liabilities</b>		
i) Financial Liabilities	1,03,990.83	92,223.04
ii) Non Financial Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>1,03,990.83</b>	<b>92,223.04</b>
<b>Current Liabilities</b>		
i) Financial Liabilities	13,286.99	42,366.87
ii) Non Financial Liabilities	45.54	208.79
<b>Total Current Liabilities</b>	<b>13,332.53</b>	<b>42,575.66</b>
<b>Total Liabilities</b>	<b>1,17,323.36</b>	<b>1,34,798.70</b>
<b>Net Assets</b>	<b>13,091.60</b>	<b>19,807.45</b>

### Summarised Financial Information:

(₹ in Lakhs)

Particulars	Associates	
	2020-21	2019-20
Revenue	10,251.06	4,058.31
Profit and Loss before Tax	(6,963.20)	(2,955.41)
Tax Expense	(1,309.62)	(414.69)
Profit and Loss after Tax	(5,653.58)	(2,540.72)
Other Comprehensive Income	-	-
Total Comprehensive Income	(5,653.58)	(2,540.72)
Depreciation and Amortisation	3,537.85	2,060.88
Interest Income	177.00	20.15
Interest Expense	12,028.02	4,804.97

### Reconciliation of Net Assets Considered for Consolidated Financial Statement to Net Asset as per Associate Financial Statement:

(₹ in Lakhs)

Particulars	Associates	
	As at	As at
	31 March 2021	31 March 2020
<b>Net Assets as per Entity Financial</b>	<b>13,091.60</b>	<b>19,807.45</b>
Add/(Less) : Consolidation Adjustment	(9,840.60)	(12,852.45)
<b>Net Assets as per Consolidated Financials</b>	<b>3,251.00</b>	<b>6,955.00</b>

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 55 : Interest in Other Entities (Contd..)

**Reconciliation of Profit and Loss/ OCI Considered for Consolidated Financial Statement to Net Asset as per Associate Financial Statement:**

(₹ in Lakhs)

Particulars	Associates	
	As at 31 March 2021	As at 31 March 2020
<b>Profit/(loss) as per Entity's Financial</b>	<b>(5,653.58)</b>	<b>(2,540.72)</b>
Add/(Less) : Consolidation Adjustment	3,010.23	2,564.60
<b>Profit/(loss) as per Consolidated Financials</b>	<b>(2,643.35)</b>	<b>23.88</b>
<b>OCI as per Entity's Financial</b>	-	-
Add/(Less) : Consolidation Adjustment	-	-
<b>OCI as per Consolidated Financials</b>	-	-

### Interest in Associates:

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
<b>(a) Wind One Renergy Private Limited</b>		
Interest as at 01 April	1.00	-
Add:- Share of profit for the period	(1.00)	1.00
<b>Balance as at 31 March</b>	<b>-</b>	<b>1.00</b>
<b>(b) Wind Two Renergy Private Limited</b>		
Interest as at 01 April	3,251.00	3,248.09
Add:- Share of profit for the period	-	2.91
<b>Balance as at 31 March</b>	<b>3,251.00</b>	<b>3,251.00</b>
<b>(c) Wind Three Renergy Private Limited</b>		
Interest as at 01 April	1.00	-
Add:- Share of profit for the period	(1.00)	1.00
<b>Balance as at 31 March</b>	<b>-</b>	<b>1.00</b>
<b>(d) Wind Four Renergy Private Limited</b>		
Interest as at 01 April	1,851.00	1,848.39
Add: Shares Purchased during the year	740.40	-
Add:- Share of profit for the period	(790.35)	2.61
Less:- Amount transferred*	(1,801.05)	-
<b>Balance as at 31 March</b>	<b>-</b>	<b>1,851.00</b>
<b>(e) Wind Five Renergy Private Limited</b>		
Interest as at 01 April	1,851.00	1,834.64
Add:- Share of profit for the period	(1,851.00)	16.36
<b>Balance as at 31 March</b>	<b>-</b>	<b>1,851.00</b>

\*The above companies have ceased to be associates during the year 2020-21 and have become subsidiary of the Group. (See note 51)

# Notes to the Consolidated Financial statement

for the year ended 31 March 2021

## 56 : Corporate Social Responsibilities (CSR)

- (a) The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) is Nil (previous year: ₹ 77.96 Lakhs).
- (b) Amount spent during the year ended 31 March 2021:

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

(Figures in brackets pertains to previous year)

**57 :** The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated 25 January 2021 has approved a Composite Scheme of Arrangement (the "Scheme") between GFL Limited, Inox Renewables Limited and Inox Wind Energy Limited (wholly owned subsidiaries of GFL Limited) as detailed below:

- a) Part A - Amalgamation of Inox Renewables Limited into GFL Limited w.e.f. 01 April 2020 and
- b) Part B - Demerger of the Renewable Energy Business (as more particularly defined in the Scheme) and strategic investment of GFL Limited in Inox Wind Limited and other assets and liabilities pertaining to the said business into Inox Wind Energy Limited, a newly incorporated company for the purpose of vesting of the Renewable Energy Business w.e.f. 01 July 2020.

The aforesaid Scheme become effective from 09 February 2021. Upon the said Scheme becoming effective, Inox Wind Limited has become the subsidiary company of Inox Wind Energy Limited w.e.f. 01 July 2020.

## 58 : Events After the Reporting Period

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

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

**60 :** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

As per our report of even date attached

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

Chartered Accountants  
Firm's Registration No 000472N

**Sandeep Dahiya**

**Partner**

Membership No 505371  
UDIN: 21505371AAAAOM5488

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

**Devansh Jain**

**Whole-time Director**

DIN: 01819331

**Kailash Lal Tarachandani**

**Chief Executive Officer**

**Deepak Banga**

**Company Secretary**

**Vineet Valentine Davis**

**Whole-time Director**

DIN: 06709239

**Narayan Lodha**

**Chief Financial Officer**

Place : New Delhi  
Date : 25 June 2021

Place : Noida  
Date : 25 June 2021