

Dated: April, 26, 2021

**INOX WIND ENERGY LIMITED**

Our Company was incorporated as public company in the name and style as *"Inox Wind Energy Limited"* under the provisions of Companies Act, 2013 in Vadodara, Gujarat vide Certificate of Incorporation dated March 06, 2020. The Corporate Identification Number is U40106GJ2020PLC113100. For further details of our Company, please refer to the chapter titled *"Our History and Certain Other Corporate Matters"* beginning on page 69 of this Information Memorandum.

**Registered Office:** 3rd Floor, ABS Towers, Old Padra Road, Vadodara 390007, Gujarat, India;

**Tel. No.:** +91 (265) 6198105; **Fax No.:** +91 (265) 2310312; **Email:** [bvdesai@gfl.co.in](mailto:bvdesai@gfl.co.in) ;

**Contact Person:** Bhavin Desai, Authorised Signatory; **Website:** [www.iwel.co.in](http://www.iwel.co.in)

**OUR PROMOTER: INOX LEASING AND FINANCE LIMITED**

**INFORMATION MEMORANDUM FOR LISTING OF 1,09,85,000 EQUITY SHARES OF ₹ 10.00 EACH FULLY PAID UP ISSUED BY INOX WIND ENERGY LIMITED ("THE COMPANY OR IWEL") PURSUANT TO THE COMPOSITE SCHEME UNDER SECTION 230 TO 232 READ WITH SECTION 52 AND SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES THEREUNDER.**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD / OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

**GENERAL RISKS**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the equity shares of the Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the equity shares of the Company. For taking an investment decision, investors must rely on their own examination of the Company including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. Specific attention of investors is invited to the section titled "Risk Factors" given on page 16 of this Information Memorandum.

**COMPANY'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibilities for, and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspect and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions in any material respect.

**LISTING**

The Equity Shares of the Company are proposed to be listed on the BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). For the purpose of listing of our Equity Shares pursuant to the Scheme, BSE Limited shall be the Designated Stock Exchange. The Company has submitted Information Memorandum with BSE and NSE and the same has been made available on the Company's website i. e. [www.iwel.co.in](http://www.iwel.co.in). The Company has applied for the In-principal approval for listing from BSE and NSE . The Information Memorandum would also be made available on the website of BSE and NSE i. e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) .

**REGISTRAR TO THE ISSUE****LINK INTIME INDIA PRIVATE LIMITED**

B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Nr. Radhakrishna Char Rasta, Vadodara, Gujarat, 390020.; **Tel:** 0265-2250241, 2252875, 2356794, 2356573; **Fax:** 0265-2250246; **Website:** [www.linkintime.co.in](http://www.linkintime.co.in); **Contact Person:** Alpesh Gandhi; **Email:** [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in), [alpesh.gandhi@linkintime.co.in](mailto:alpesh.gandhi@linkintime.co.in); **SEBI Registration Number:** INR000004058; **Investor Grievance Email:** [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in)



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## SECTION I – GENERAL

### DEFINITION AND ABBREVIATION

*Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies or guidelines or circular, notification or clarifications shall include amendments thereto, from time to time.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Risk Factors”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Scheme of Arrangement”, shall have the meaning ascribed to such terms in those respective sections.*

#### General Terms

Term	Description
Inox Wind Energy Limited/ IWEL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Inox Wind Energy Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 with its registered office at 3rd Floor, ABS Towers, Old Padra Road, Vadodara 390007, Gujarat, India.

#### Company related terms

Term	Description
Articles/ Articles of Association / AOA	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee of our Board
Board/ the Board / our Board / Board of Directors	The Board of Directors of our Company including any committees thereof, as the context may refer to
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being, Deepak Banga.
Composite Scheme of Arrangement	Composite Scheme of Arrangement amongst Inox Renewables Limited (“Transferor Company” or “Inox Renewables”), GFL Limited (“First Transferee Company” or “GFL”) (where the context so required “Demerged Company”), Inox Wind Energy Limited (“Second Transferee Company” or “IWEL” or ‘The Company’) and their respective shareholders under Section 230 to 232 Read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (Hereinafter refer to as “Scheme”)
Directors / Our Directors	Director(s) of Inox Wind Energy Limited, unless otherwise specified
Equity Share(s)	Equity shares of our Company having a face value of Rs. 10.00 each, unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
GFL	GFL Limited
Group Companies	The companies (other than Promoter(s) and Subsidiaries) with whom our Company had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable accounting standards

Term	Description
	and such companies as considered material by the Board of Directors. For further details on our Group Companies, see “Our Promoter and Promoter Group” on page 85 of this Information Memorandum.
ISIN	INE0FLR01028
IRL	Inox Renewables Limited
IWEL	Inox Wind Energy Limited
Independent Directors	Independent directors on the Board, and eligible to be appointed as an Independent Director under the provisions of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. For details of the Independent Directors, see “Our Management” on page 75 of the IM
KMPs/ Key Managerial Personnel	Individuals described in the chapter titled “Our Management” on page 75 of this IM
MoA / Memorandum/ Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board
Promoter (s) / Our Promoters	Inox Leasing and Finance Limited
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (zb) of the SEBI ICDR Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page 85 of this Information Memorandum (IM).
Record date	March 30, 2021
Registered Office	The registered office of our Company is located at 3rd Floor, ABS Towers, Old Padra Road, Vadodara Gujarat 390007, India.
Registrar of Companies/ RoC	Registrar of Companies, Ahmedabad located at ROC Bhavan, opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat, India.
Registrar	Linkintime India Private Limited
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board.
Statutory Auditors	Our Statutory Auditors, M/s. Dewan P.N. Chopra & Co., Chartered Accountants (Firm Registration No. 000472N)
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Days	All trading days of the Stock Exchange excluding Saturdays and Sundays and Bank holidays in Vadodara, Gujarat.

#### CONVENTIONAL, GENERAL AND INDUSTRY TERMS OR ABBREVIATIONS

Term	Description
₹ / Rs. / Rupees / INR	Indian Rupees, the legal currency of the Republic of India
A/c	Account

Term	Description
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India as notified under the Companies (Accounts) Rules, 2014
Applicable Laws	Any statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or reenactment thereof for the time being in force
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded annual growth rate
CARO	Companies (Auditor's Report) Order, 2003
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number / Corporate Identification Number
Companies Act, 2013	Companies Act to the extent in force pursuant to the notification of sections of the Companies Act, along with the relevant rules made thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act) along with the relevant rules made thereunder
CSR	Corporate Social Responsibility
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time, in this case being NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification
EGM/ EOGMs	Extraordinary General Meeting
EPS	Earnings Per Share
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EPFO	Employees' Provident Fund Organization
ESIC	Employee State Insurance Corporation
FCNR Account/ FCNR	Foreign currency non-resident account
FDI	Foreign Direct Investment
FEMA Act/ FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto

Term	Description
FII	Foreign Institutional Investor, as defined under Regulation 2(1)(g) of the SEBI (Foreign Portfolio Investors) Regulations, 2014, registered with SEBI under applicable laws in India
Financial Year / Fiscal / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FSI	Floor Spacing Index
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GIR	General Index Register
Gol or Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
HNI	High Net Worth Individual.
ICAI	The Institute of Chartered Accountants of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards converged with IFRS, as notified by the Ministry of Corporate Affairs vide Companies (Indian Accounting Standards) Rules, 2015 in its general statutory rules dated February 16, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
Information Memorandum or IM	This document dated 24 <sup>th</sup> April, 2021 being filed with BSE and NSE and referred to as the Information Memorandum
IT Act or Income Tax Act	The Income Tax Act, 1961
IT Rules	Income Tax Rules, 1962
JV	Joint Venture
LC	Letter of Credit
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
Mn	Million
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable
NAV	Net Asset Value
NCLT	The National Company Law Tribunal
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016

Term	Description
	or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	The Reserve Bank of India
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time
SEBI ICDR Regulations / SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations / SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI Circular	Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018 issued by SEBI
Sec.	Section
Securities Act	U.S. Securities Act of 1933
Stock Exchange(s)	Shall refer to the BSE and the NSE where the Equity Shares of the Company are proposed to be listed
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
U.S. / USA / United States	United States of America
USD / US\$	United States Dollars

Term	Description
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
WCDL	Working Capital Demand Loan
WTGs	Wind Turbine Generators
YTM	Yield to maturity

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the SCRA, the SEBI ICDR Regulations, the Depositories Act and the rules and regulations made thereunder.



## FORWARD-LOOKING STATEMENTS

This Information Memorandum contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in this Information Memorandum that are not statements of historical facts constitute “forwardlooking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Information Memorandum regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Information Memoandum (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ Impact of epidemics and pandemics with respect to recent example of COVID-19 on our business and operations;
- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and financial performance is particularly based on market demand and supply of our products;
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;

- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors” and Chapter titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 16, 55 and 126 of this IM, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this IM and are not a guarantee of future performance.

These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references to “India” contained in this IM are the Republic of India. Unless stated otherwise, all references to page numbers in this IM are to the page numbers of this Information Memorandum.

### **Financial Data**

Unless stated otherwise, the financial data in this Information Memorandum is derived from our Restated Financial Statements of our Company for the period ended December 31, 2020 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP and Guidance Note on “Reports in Company Prospectus”, as amended issued by ICAI, as stated in the report of our Statutory, as set out in the chapter titled “Restated Financial Statement” beginning on page 104 this Information Memorandum. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the IM, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the IM will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the IM should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled “Risk Factors”, “Business Overview” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 16, 55 and 126, respectively, of this Information Memorandum and elsewhere in the Information Memorandum, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act.

### **Industry and Market Data**

Unless stated otherwise, industry data and market data used throughout the IM has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data and market data used in the IM is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the IM is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

### **Currency and units of presentation**

In the IM, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

In this IM, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our restated financial statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimals.

## SUMMARY OF INFORMATION MEMORANDUM

*This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. For additional information and further details with respect to any of the information summarised below, please refer to the relevant sections of this Information Memorandum. Unless otherwise stated, the financial information in this section is derived from the Restated Financial Statements.*

### Summary of the Industry

Power is among the most critical component of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

### Summary of our Business

Our Company shall provide turnkey solutions by supplying WTGs and shall also offer services including wind resource assessment, site/land acquisition, development of power evacuation, infrastructure development, erection and commissioning and also long-term operations and maintenance of wind power projects.

### Our Promoter

The Promoter of our Company is **INOX LEASING AND FINANCE LIMITED**.

### Shareholding of our Promoter and Members of our Promoter Group

Sr. No.	Name of the Shareholders	No of Equity Shares held	% of Shareholding
1.	Inox Leasing and Finance Ltd	58,14,902	52.93
2.	Devansh Trademart LLP	6,66,236	6.07
3.	Siddhapavan Trading LLP	5,57,644	5.08
4.	Inox Chemicals LLP	2,95,523	2.69
5.	Siddho Mal Trading LLP	2,01,926	1.84
6.	Devendra Kumar Jain	2,010	0.02
7.	Pavan Kumar Jain	2,010	0.02
8.	Vivek Kumar Jain	2,010	0.02
9.	Siddharath Jain	2,000	0.02
10.	Devansh Jain	1,000	0.01
11.	Hem Kumari	1,000	0.01
12.	Kapoor Chand Jain	1,000	0.01
13.	Nandita Jain	1,000	0.01
14.	Nayantara Jain	1,000	0.01
	<b>Total</b>	<b>75,49,261</b>	<b>68.72</b>

### Financial information

(Rs. in Lakhs)

Particulars	December 31, 2020
Equity Share Capital	1.00
Reserve & Surplus	(2.65)
Net Worth	(1.65)
Total Revenue	0.00
Net Profit/(Loss) after Tax (after considering Comprehensive Income)	(2.65)
EPS (in ₹) of face value ₹ 1 each	
Basic and Diluted	(3.21)
Net Asset Value per share (in Rs.)	(1.65)

*Note: The Company was incorporated on March 06, 2020, hence there are no previous years' figures.*

#### **Auditor Qualifications or Adverse Remarks**

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

#### **SUMMARY OF OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Nature of Cases	Number of Cases	Total Amount Involved (In Lakh)
<b>Proceedings against our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Directors other than our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL

Nature of Cases	Number of Cases	Total Amount Involved (In Lakh)
Tax	NIL	NIL
<b>Proceedings against our Group Companies</b>		
Civil	19	14,442
Criminal	NIL	NIL
Tax	7	11,445.39
<b>Proceedings by our Group Companies</b>		
Civil	1	135.84
Criminal	2	1,033.01

## RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 16 of this Information Memorandum.

## CONTINGENT LIABILITIES

As on the date of this Information Memorandum there is no contingent liabilities.

## SUMMARY OF RELATED PARTY TRANSACTIONS

### (ii) Particulars of transactions

(₹. in Lakhs)

Particulars	With parties where control exists	Total
A) Transactions during the period	Period ended 31 December 2020	Period ended 31 December 2020
<b>Share issued</b>		
GFL Limited	1.00	1.00
<b>Inter-corporate deposit received</b>		
GFL Limited	1.83	1.83
<b>Rent Paid</b>		
Gujarat Fluorochemicals Limited	0.54	0.54

### 15: Related party transactions - continued

(₹ in Lakhs)

Particulars	With parties where control exists	Total
B) Balances at the end of the period	As at 31 December 2020	As at 31 December 2020
<b>Amounts payable</b>		
Other payables:		
GFL Limited	1.83	1.83
Gujarat Fluorochemicals Limited	0.64	0.64

### Notes:

(a) Amounts outstanding are unsecured and will be settled in cash.

(b) There have been no guarantees, received or provided, for any related party receivables or payables.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Information Memorandum.

**Average cost of acquisition of shares**

Not applicable, as the Promoters have not acquired any Equity Shares of the Company during last one year preceding the date of this Information Memorandum except pursuant to the Scheme.

**Issue of share for consideration other than cash**

Other than pursuant to the Scheme, our Company has not issued any Equity Shares during last one year preceding the date of this Information Memorandum for consideration other than cash.

**Split or consolidation of shares**

Our Company has not undertaken a split or consolidation of the Equity Shares during last 1 (one) year preceding the date of this Information Memorandum.



## SECTION II – RISK FACTORS

*An investment in the equity securities involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Equity Shares.*

*Any of the following risks could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of the Equity Shares to decline, which could result in the loss of all or part of your investment. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to regulatory environment that may differ significantly from one jurisdiction to another. In making an investment decision, prospective investors must rely on their own examinations of us on a consolidated basis and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Equity shares.*

### Internal Risk Factors

- 1. There are outstanding litigation involving our Company, the Promoters and the Group Companies, which, if determined adversely, may affect their business and operations and our reputation.**

Our Company, Promoters, Directors and Group Companies are involved in certain legal proceedings at different levels of adjudication before various courts, tribunals and appellate authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties by other statutory authorities, our Company, Directors, Promoters or Group Companies may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities and also adversely affect our reputation.

In the ordinary course of business, our Company and our Promoters are involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The summary of outstanding matters set out below includes details of civil proceedings, criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, Promoters, Directors and our Group Company.

According to the Board Resolution dated 31<sup>st</sup> March, 2021, any outstanding litigation, other than criminal proceedings, statutory or regulatory actions and taxation matters, is considered material if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹ 1,00,00,000 or if an adverse outcome of any such litigation could materially and adversely affect our business, prospects, operations, financial position or reputation.

Nature of Cases	Number of Cases	Total Amount Involved (In Rs.)
<b>Proceedings against our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Company</b>		
Civil	NIL	NIL

Nature of Cases	Number of Cases	Total Amount Involved (In Rs.)
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Directors other than our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings by our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Group Companies</b>		
Civil	19	14,442
Criminal	NIL	NIL
Tax	7	11,445.39
<b>Proceedings by our Group Companies</b>		
Civil	1	135.84
Criminal	2	1,033.01

Brief details of such outstanding litigation as of the date of this Information Memorandum are set forth in chapter *"Outstanding Litigation and Material Developments"* on page 130 of this Information Memorandum. We cannot assure you that any of the legal proceedings described above will be decided in favor of the Company, the Promoters, Directors and the Group Companies, respectively. Further, the amounts claimed in these proceedings have been disclosed to the extent ascertainable, excluding contingent liabilities and include amounts claimed jointly and severally. Should any new developments arise, such as a change in Indian law or rulings by appellate courts or tribunals, additional provisions may need to be made by us, the Promoters, the Directors and the Group Companies in our respective financial statements, which may adversely affect our business, financial condition and reputation. We may incur significant expenses and management time in such legal proceeding. Decisions in any of the aforesaid proceedings adverse to our interests may have an adverse effect on our business, future financial performance and results of operations.

## 2. ***Our Registered office is not owned by us***

Our registered Office located at 3rd Floor, ABS Tower, Old Padra Road, Vadodara – 390007, Gujarat is not owned by our Company and is taken on lease vide a lease agreement dated February 01, 2021 from Gujarat Fluorochemicals Limited for a period of eleven months (11) months commencing from February 06, 2021 and expire on January 05, 2022. However, the agreement

can be extended and renewed, but cannot assure that such extension will be at terms favorable to the Company or extendable at all. In an adverse scenario, we may have to shift our Registered Office to different premises, the terms of which may not be suitable for the Company. Such situation may adversely impact our business operations.

**3. *Delays in and/ or non-uniform implementation of various incentive schemes by the regulatory authorities may cause our customers to reduce or delay their investments in WTGs.***

With an aim to broaden the investor base and to facilitate entry of large independent power producers and foreign direct investors in the wind power sector, the regulators may declare various incentives to wind power producers.

Any delays in, non-uniform implementation of and/or withdrawal of various incentives to wind power producers, may delay their investment decisions in our projects/WTGs. which could adversely affect our business, financial condition and results of operations.

**4. *Our success is dependent on the quality control processes and any failure to maintain the quality of our products/services may affect our reputation and business.***

We believe that our success is dependent on our quality control processes. Our quality assurance department ensures quality controls at every stage of production, packaging and dispatch. We believe that our Brand have built strong relationships with our customers due to the quality of our products which has translated into operational growth. In the event we are unable to maintain our quality control processes, for any reason whatsoever, our business, reputation and results of operations would be adversely affected.

**5. *The cost of implementing new technologies could significantly increase our production cost and affect our result operations.***

Our business requires us to keep pace with technological advances. We have acquired modern and sophisticated machinery for our operations. Our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost-effective and timely basis. The cost of implementing new technologies could adversely affect our financial condition and results of operations.

**6. *Our operations are dependent on supply of our raw materials or components and we are dependent on limited number of suppliers.***

Availability of raw materials and other key components of WTGs are subject to supply and price volatility caused by various factors, including commodity market fluctuations, the quality of supply of components, market demand, changes in government policies and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials/components at a suitable price for us to meet the demand for our products. Our suppliers may choose to supply the raw materials to our competitors instead of us which could affect our business. There is a risk that one or more of these existing suppliers could discontinue their operations, which could adversely impact our continuity in our business operations. Our ability for the alternate source for procurement of raw materials may also depend on various factors which may be beyond our control and general economic conditions. Any increase in raw materials or components prices will result in corresponding increases in our product costs or we may not be able to pass on unanticipated increases in the cost of equipment, materials or components to our customers, which may adversely affect our results of operations.

**7. *We depend on third-party for the transportation facilities for the delivery of our products.***

We do have our in-house transportation facilities; we depend on third-party for the delivery of our products to our wind sites. Any strikes, regulatory restrictions imposed on transportation providers or delay due to poor road infrastructure could have an adverse effect on our supplies. If we are unable to procure the requisite quantities of raw materials in a timely manner our business, results of operations and financial condition may be adversely affected.

**8. *Our Company requires significant amount of working capital for a continuous growth. Our inability to meet the working capital requirement may have an adverse effect on the operations as well as profitability of the Company.***

Our Business is working capital intensive to finance the purchasing of the raw materials, because payments from customers are typically received several months after we commence our work. Our Company intends to continue growing by expanding our operation and geographical reach. Our inability to raise additional capital and maintain sufficient cash flow and credit facility in timely manner could adversely affect our operation and profitability of the Company. For more information on the credit facility availed by our Company, please refer chapter titled “Financial Indebtedness” on page no 125 of this IM.

**9. *We may be unable to acquire our targeted Wind Sites or to develop wind farms on the specific Wind Sites that we target.***

There can be no assurance that we will succeed in procuring access to targeted Wind Sites or that any Wind Sites to which we have acquired access, or acquire access in the future, will adequately meet the needs of our customers’ projects. And also, there can be no assurance that such sites will not be subject to contingencies such as the need to rehabilitate inhabitants of such locations or potential title defects. Any failure to acquire access to Wind Sites at a reasonable cost and without defects, contingencies and community opposition could impede our ability to offer turnkey solutions to our customers. Any of the foregoing could adversely affect our business, financial condition and results of operations.

**10. *We operate in a competitive industry.***

At present, India is facing energy related problems due to growing industrial needs. The development of alternative and renewable energy sources is very crucial to overcome these problems. Wind energy has emerged as a sustainable energy option. The Indian WTG market is characterized by strong concentration among a small group of manufacturers. A major barrier existing in this industry is well established relationships between old wind turbine manufacturers. We compete on the basis of our product engineering and quality management. Our cost structure is the primary factor that distinguish us from our competitors.

**11. *The construction and operation of wind power projects may face opposition from local communities and other parties.***

The construction and operation of wind power plants may face opposition from the local communities where these plants are located because these WTGs causes noise and can be considered unappealing. A significant increase in such oppositions and restrictions by local communities could cause significant constraints on the growth of the wind power industry as a whole. This would have a material adverse effect on our business, financial condition and results of operations.

**12. *The failure to keep our technical knowledge confidential could erode our competitive advantage.***

Our know-how and technical knowledge and experts are our significant asset. Our products are dependent on the extensive technical knowledge possessed by our experts. Such technical knowledge may not be protected by intellectual property rights such as patents, but is protected only by keeping it secret. As a result, we cannot be certain that our know-how will remain confidential in the long run. However, we cannot assure, to protect the technical knowledge possessed by our employees which could affect our competitive advantage in the market.

**13. *Any failure in our information technology systems could adversely impact our business.***

Any failure in our information technology systems installed at our offices and wind sites could disrupt our ability to track, record and analyze work in progress or cause loss of data and disruption to our operations, including an inability to assess the progress of our projects, process financial information or manage creditors/debtors or engage in normal business activities. Any such disruption could have an adverse effect on our business operations.

**14. *We generally do business with our customers on purchase order basis and do not enter into long term contracts with them.***

Our Company do not have any long-term contract with the customers. Any change in the buying pattern of our customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Our business depends on the continuity of our relationship with our customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to provide services on a timely basis or offer services that meet the needs of the customers, the number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

**15. *We are dependent on our management team and Key Managerial Personnel for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.***

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the management team and staff could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business. However, there is no assurance, whether these individuals or any other member of our senior management team will not leave us or join a competitor, in the future. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all.

**16. *We may not be able to successfully carry out the expansion plans as sighted by the demerged undertaking vested in our Company, which may adversely affect our business, financial condition and results of operation.***

We may not be able to expand our production capacity post-scheme. Our growth may be hampered by various factors such as cultural differences among new employees and old employees pursuant to the Scheme, unanticipated risks and expenses, global and domestic market conditions, if operations do not generate sufficient cash flows or for any other reasons, we may decide to delay,

modify or forego all or part of our growth strategies. Our future results of operations may be adversely affected if we are unable to implement our growth strategies successfully or at all.

**17. *Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

We have employed a significant number of employees. We are unable to assure you that we will not experience disruptions in our operations due to disputes or other problems with our work force, which may lead to strikes, lock - outs or increased wage demands. Such issues could have an adverse effect on our business, and results of operations.

**18. *Any change in regulatory laws may have an impact on the business of the Company.***

Any changes by the Ministry of New and Renewable Energy ("MNRE") and changes in the legislative framework of the electricity and environmental laws may have an impact on the operations of the Company. It is possible that such legislation could be amended to place further restrictions on distance, or to limit the size or height of WTGs in a given area, to prohibit the installation of WTGs at certain sites, or to impose other restrictions. Therefore, the Company must be updated of the various developments relating to the regulatory laws and must be ready in order to comply with such regulatory changes. However, in case the Company is unable to adapt itself to such regulatory changes, the business of the Company may be impacted adversely.

**19. *We have in the past entered into certain related party transactions and may continue to do so in the future.***

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For details on the transactions entered by us, please see the chapter titled "Restated Financial Statements" beginning on page 104 of this IM.

**20. *We have experienced negative cash flows in prior period and may continue to do so in the future, which could have a material adverse effect on our business prospects, financial condition, cash flows and results of operations.***

We have experienced negative net cash flows in the recent periods, the details of which, as per our Audited Standalone Financial Information, are provided below:

(Rs in lakhs)	
Particulars	For the period ended December 31, 2020
Cash flow from Operating Activities	(1.83)
Cash flow from Investing Activities	0.00
Cash flow from Financing Activities	2.83

**21. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that

deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

**22. Our business is subject to extensive regulation. If we fail to comply with the applicable regulations prescribed by governments and regulatory agencies, our business, results of operations and financial condition could be adversely affected.**

We operate in highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. Applicable regulations have become increasingly stringent, a trend which may continue in future. The penalties for non-compliance with these regulations can be severe, including revocation or suspension of our business license, imposition of fines and criminal sanctions. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the installation of WTGs at the sites. If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition could be adversely affected.

**23. Our Promoter and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Companies, and benefits deriving from their directorship and shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Companies. For further details, please refer to the chapters titled “Business Overview” and “Our Promoter and Promoter Group”, beginning on page 55 and 85 respectively and the chapter titled “Restated Financial Statements” on page 104 of this IM

**24. Our Group Companies have incurred losses during the last three financial years**

Below mentioned Some of our Group Company(ies) have incurred losses/profits during the last three financial years, details of which are as under:

(Rs in lakhs)			
Name of the company	March 31, 2020	March 31, 2019	March 31, 2018
Inox Wind Limited	(22,711.18)	125.68	(15,716.75)
Gujarat Fluorochemicals Limited	18,994.75	1,24,617.87*	Nil
Inox Wind Infrastructure Services Limited	(5,750.13)	(5,718.93)	(5,789.93)

Note: Above figures are as per the Audited Standalone Financial Statements.

\*The financial figures represent demerged undertaking vested pursuant to the demerger scheme approved by NCLT vide order dated July 04, 2019.

**25. Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits due to war and allied perils. In the occurrence of such events, our insurance coverage may not adequately protect us against risk of loss.**

Our Company has Commercial General Liability and Group Mediclaim insurance policies consisting of, fire damage, hospitalization expenses. While we believe that we have maintained adequate insurance coverage in the adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/ liability risks, loss of profits, losses

due to war and allied perils. There can be no assurance that our policies will be adequate to cover the losses with respect of which insurance has been availed. If our Company suffers any un-insured loss, it shall affect our business, financial condition and the results of operations. For more details on the insurance policy availed by our Company, please refer chapter titled “Business Overview” on page 55 of this IM.

**26. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**27. *The Companies Act and SEBI Listing Regulations and other allied laws has effected significant changes to the existing Indian Company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

The Companies Act, SEBI Regulations and other allied laws has brought into effect significant changes to the Indian company law framework. Changes in corporate governance norms, accounting policies and audit matters, related party transactions, Accordingly, we may face challenges in interpreting and complying with such provisions due to the limited jurisprudence on them. In the event our interpretation of such provisions of the Companies Act differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps.

To ensure compliance with the requirements of the Companies Act and SEBI Listing Regulations, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

**28. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**29. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**30. *We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our equity shares.***



Whether we will pay dividends in the future and the amount of any such dividends, if declared, will depend on a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors considered relevant by our Board and shareholders. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our equity shares. Our ability to pay dividends may also be restricted under certain financing arrangements that we have and may enter into. There can be no assurance that we will, or have the ability to, declare and pay any dividends on the equity shares at any point in the future. Further, we may not be able to fund the growth requirements of our businesses.

## **External Risk Factors**

### **Industry Risks:**

**31. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**32. *Any slowdown in the rate of growth prospects of the dependent industries would impact our Company growth prospects.***

We operate in Power industry, engaged in the business of generation and sale of wind energy. If the demand for our products/services falls, due to slowdown in economic growth for prolonged periods, could have adverse effects on our results of our business operations and financial condition of our Company.

**33. *Malpractices by some players in the industry affect overall performance of emerging Companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

### **Other Risks:**

**34. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" beginning on page 61 for

details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**35. *Any downgrading of India's debt rating by an independent may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rate and other commercial terms at which such additional financing may be available. This could have adverse effect on our business and future financial performance, its ability to obtain financing for capital expenditures and the price of our Equity Shares.

**36. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**37. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**38. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**39. *Natural calamities and health epidemics could have a negative impact on the Indian economy and cause our Company's business to suffer.***

Natural disasters such as floods, earthquakes, famines and pandemics have in the past had a negative impact on the Indian economy, with the most recent example being the global outbreak of COVID-19. Our company who manufacture WTGs have not faced any significant impact in the current financial year. However, in the view of highly uncertain economic environment, its likely to effect on future revenues due to Covid-19, however, a definitive assessment of the impact on the subsequent periods is dependent upon circumstances as they evolve. However, if any such event were to occur, our business operations may be interrupted due to lack of manpower or any other restrictions imposed by Governemnt of India.

**40. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**41. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**42. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Since the equity shares of the Company have not been previously traded, their market value in uncertain. The trading price of our Equity Shares may fluctuate due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

**43. Conditions in the Indian Securities market may affect the price or liquidity of the Equity Shares.**

Indian stock exchanges have, in the past, experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and increased margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

**44. Our Company may decide to offer additional equity shares in the future, diluting the interests of existing shareholders which could adversely affect the market price of the equity shares.**

Our Company's ability to execute our business strategy depends on our access to an appropriate blend of debt financing, and equity financing. If our Company decides to offer additional equity shares or other securities convertible into equity shares in the future, this could dilute the interests of existing shareholders which could have an adverse impact on the market price of equity shares. Any additional offering of equity shares by our Company, or the public perception that an offering may occur, could have an adverse impact on the market price of the equity shares.

**45. CoVID-19 has significantly impacted our revenue and we are currently unable to accurately predict the nearterm or long-term impact of the CoVID-19 pandemic on our businesses**

The World Health Organization declared the CoVID-19 disease (commonly known as "coronavirus") outbreak a "Public Health Emergency of International Concern", and it was, thereafter, declared as a pandemic. Between January 2020 and the date of this Information Memorandum, CoVID-19 has spread from China to many other countries, with a number of reported cases and related deaths increasing daily and, in many countries, exponentially. Several countries' governments and numerous companies have imposed increasingly stringent restrictions to help avoid, or slow down, the spread of CoVID-19, including restrictions on international and local travel, public gatherings, physical participation in meetings, as well as closure of universities, schools, stores and restaurants. Certain countries have also imposed strict curfews. Consequently, generation of revenue has been impacted and significantly reduced.

The impact of the CoVID-19 pandemic on our business will depend on a range of factors, which we are not able to accurately predict, including the duration and scope of the pandemic, the geographies impacted, the impact of the pandemic on economic activity in India and globally, and the nature and severity of measures adopted by central and state governments.

As of the date of this Information Memorandum, there is significant uncertainty relating to the severity of the near and long-term adverse impact of the CoVID-19 pandemic on the global and national economy and financial markets, and we are unable to accurately predict the near-term or long-term impact of the CoVID-19 pandemic on our businesses.

### SECTION III – INTRODUCTION

#### SUMMARY OF FINANCIAL INFORMATION

Restated Balance Sheet as at 31 December 2020

(₹ lakhs)

Particulars	Note No.	As at 31 December 2020
<b>ASSETS</b>		
<b>Current assets</b>		
(a) Financial assets		
(i) Cash and cash equivalents	5	1.00
(ii) Other Financial Assets	6	0.20
(b) Other current assets	7	0.37
<b>Sub-total</b>		<b>1.57</b>
<b>Total Assets</b>		<b>1.57</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity share capital	8	1.00
(b) Other equity	9	(2.65)
<b>Total Equity</b>		<b>(1.65)</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
a) Financial liabilities		
(i) Borrowings	10	1.83
(ii) Other financial liabilities	11	1.36
(b) Other Current liabilities	12	0.03
<b>Total current liabilities</b>		<b>3.22</b>
<b>Total Equity and Liabilities</b>		<b>1.57</b>

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

As per our report of even date attached

For and on behalf of the Board of Directors

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

**For Inox Wind Energy Limited**

Chartered Accountants

Firm Reg. No.: 000472N

Sd/-

Sd/-

Sd/-

**Sandeep Dahiya**

**Devendra Kumar Jain**

**Vivek Kumar Jain**

Partner

Director

Director

Membership No. 505371

DIN:00029782

DIN:00029968

UDIN: 21505371AAAACS6065

Place: New Delhi

Place: New Delhi

Date: 22.01.2021

Date: 22.01.2021

# Restated Statement of Profit and Loss for the period ended 31 December 2020

(₹ in Lakhs)

Particulars	Note No.	Period ended 31 December 2020
Revenue from operations		-
<b>Total Income</b>		-
<b>Expenses</b>		
Other expenses	13	2.65
<b>Total expenses</b>		<b>2.65</b>
<b>Loss before tax</b>		<b>(2.65)</b>
Tax expense		-
<b>Loss for the period</b>		<b>(2.65)</b>
<b>Other comprehensive income</b>		-
<b>Total comprehensive income for the period</b>		<b>(2.65)</b>
<b>Basic and Diluted loss per equity share of Rs. 1 each (In Rs.)</b>	23	<b>(3.21)</b>

The accompanying notes are an integral part of the restated financial statements.

As per our report of even date attached  
**For Dewan P. N. Chopra & Co**  
Chartered Accountants  
Firm Reg. No.: 000472N

For and on behalf of the Board of Directors  
**For Inox Wind Energy Limited**

Sd/-

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAACS6065

Sd/-

**Devendra Kumar Jain**  
Director  
DIN:00029782

Sd/-

**Vivek Kumar Jain**  
Director  
DIN:00029968

Place: New Delhi  
Date: 22.01.2021

Place: New Delhi  
Date: 22.01.2021

# Restated Statement of Cash Flows for the period ended 31 December 2020

(₹ in Lakhs)

Particulars	Period ended 31 December 2020
<b>Cash flows from operating activities</b>	
Loss for the period	(2.65)
<b>Operating loss before working capital changes</b>	<b>(2.65)</b>
<b>Movements in working capital:</b>	
Other current assets	(0.37)
Other financial assets	(0.20)
Other current Liabilities	0.03
Other financial liabilities	1.36
<b>Cash used in operating activities</b>	<b>(1.83)</b>
Income taxes paid	-
<b>Net cash used in operating activities</b>	<b>(1.83)</b>
<b>Cash flows from financing activities</b>	
Inter-corporate deposit received	1.83
Shares issued during the period	1.00
<b>Net cash generated from financing activities</b>	<b>2.83</b>
<b>Net increase in cash and cash equivalents</b>	<b>1.00</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1.00</b>

## Notes:

1. The above statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per note 5
3. The accompanying notes are an integral part of the restated financial statements.

As per our report of even date attached  
**For Dewan P. N. Chopra & Co**  
Chartered Accountants  
Firm Reg. No.: 000472N

For and on behalf of the Board of Directors  
**For Inox Wind Energy Limited**

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**   **Vivek Kumar Jain**  
Director   Director  
DIN:00029782   DIN:00029968

Place: New Delhi  
Date: 22.01.2021

Place: New Delhi  
Date: 22.01.2021

## GENERAL INFORMATION

Our Company was incorporated as an unlisted public company in the name and style as “Inox Wind Energy Limited” under the provisions of Companies Act, 2013 in Vadodara, Gujarat, India vide Certificate of Incorporation dated March 06, 2020. The Corporate Identification Number is U40106GJ2020PLC113100. For further details of our Company, please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 69 of this Information Memorandum.

### Registered and Corporate Office of our Company

#### Inox Wind Energy Limited

3rd Floor, ABS Towers, Old Padra Road,  
Vadodara 390007, Gujarat, India.

**Tel No:** +91 (265) 6198105

**Fax No:** +91 (265) 2310312

**Website:** [www.iwel.co.in](http://www.iwel.co.in)

**E-mail:** [bvdesai@gfl.co.in](mailto:bvdesai@gfl.co.in)

### Registrar of Companies

Our Company is registered with Registrar of Companies located at

ROC Bhavan, Opp. Rupal Park Society,  
Behind Ankur Bus Stop,  
Naranpura, Ahmedabad 380013,  
Gujarat, India.

### Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this IM:

Sr. No.	Name	DIN	Designation
1.	Shanti Prashad Jain	00023379	Independent Director
2.	Devendra Kumar Jain	00029782	Non-Executive Director
3.	Vivek Kumar Jain	00029968	Non-Executive Director
4.	Vanita Bhargava	07156852	Independent Director
5.	Devansh Jain	01819331	Additional Non-Executive Director
6.	Vineet Valentine Davis	06709239	Whole-Time Director

For further details of our Directors, please see “Our Management” on page 75.

Company Secretary and Compliance Officer	Chief Financial Officer
<b>Deepak Banga</b> 3rd floor, ABS towers, old Padra Road, vadodara 390007, Gujarat, India. <b>Tel No:</b> +91 (265) 6198105 <b>Fax No:</b> +91 (265) 2310312 <b>E-mail:</b> <a href="mailto:deepak.banga@inoxwind.com">deepak.banga@inoxwind.com</a>	<b>Narayan Lodha</b> 3rd floor, ABS towers, old Padra Road, vadodara 390007, Gujarat, India. <b>Tel No:</b> +91 (265) 6198105 <b>Fax No:</b> +91 (265) 2310312 <b>E-mail:</b> <a href="mailto:narayan.lodha@inoxwind.com">narayan.lodha@inoxwind.com</a>
Statutory Auditors	Bankers to the Company
Dewan P.N. Chopra & Co. 57-H, Connaught Circus, New Delhi-110001 <b>Tel No.:</b> +91 1123322359/1418 <b>Fax No.:</b> Not Available	ICICI Bank Limited ICICI Bank Tower, 2nd Floor, Near Chakli Circle, Old Padra Road Vadodara-390007. <b>Tel No:</b> 0265-6722020 <b>E-mail:</b> <a href="mailto:gajanan.tewari@icicibank.com">gajanan.tewari@icicibank.com</a>



<b>Email Id.:</b> dpnccp@dpncindia.com <b>Contact Person.:</b> Sandeep Dahiya <b>Registration No.:</b> 000472N	<b>Contact Person:</b> Gajanan Tewari <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a>
<b>Registrar and Share Transfer Agents</b>	
<b>LINK INTIME INDIA PRIVATE LIMITED</b> B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Nr. Radhakrishna Char Rasta, Vadodara, Gujarat, 390020.; <b>Tel:</b> 0265-2250241, 2252875, 2356794, 2356573; <b>Fax:</b> 0265-2250246; <b>Email:</b> <a href="mailto:vadodara@linkintime.co.in">vadodara@linkintime.co.in</a> and <a href="mailto:alpesh.gandhi@linkintime.co.in">alpesh.gandhi@linkintime.co.in</a> ; <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> ; <b>Contact Person:</b> Alpesh Gandhi; <b>SEBI Registration Number:</b> INR000004058; <b>Investor Grievance Email:</b> <a href="mailto:vadodara@linkintime.co.in">vadodara@linkintime.co.in</a>	

**Note:** Shareholders can contact the Company Secretary and Compliance Officer of the Company in case of queries related to the listing of Equity Shares pursuant to the Scheme.

#### **CHANGES IN THE STATUTORY AUDITOR**

There are no changes in Statutory Auditor of the Company since incorporation of the Company.

#### **AUTHORITY FOR LISTING**

The Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench vide order dated, January 25, 2021, have approved the Composite Scheme of Arrangement. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing are not automatic and will be subject to fulfilment of the respective listing criteria of the BSE and the NSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the application made by our Company to the Stock Exchanges for seeking approval for listing.

Our Company has determined BSE Limited as the Designated Stock Exchange (DSE) for this Listing.

#### **ELIGIBILITY CRITERIA**

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI (ICDR) Regulation is not applicable. However, our Company has submitted this Information Memorandum, containing information about our Company, and including disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and NSE, to avail the relaxation from strict enforcement of Rule 19 (2) (b) of SCRR, as amended. This Information Memorandum has been made available to the public through the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) Our Company has also made this Information Memorandum available on its website at [www.iwel.co.in](http://www.iwel.co.in).

Our Company will publish an advertisement in one English and one Hindi newspaper with nationwide circulation and one regional newspaper with wide circulation at the place where the registered office of the Company is located, containing details in accordance with the requirements set out in the SEBI Circular. The advertisement will draw a specific reference to the availability of this Information Memorandum on the website of our Company.

#### **GENERAL DISCLAIMER OF OUR COMPANY**

Our Company accepts no responsibility for statement made otherwise than in the IM or any other material

issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

## CAPITAL STRUCTURE

The details of the Share capital of the Company, as on the date of this IM is set forth below:

### Pre-Scheme capital structure of our Company:

Sr. No	Particulars	Aggregate nominal value (Rs in Lakhs)
<b>A.</b>	<b><u>Authorised Share Capital</u></b>	
	1,00,000 Equity Shares of ₹ 1.00 each	1.00
	<b>TOTAL</b>	<b>1.00</b>
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital</b>	
	1,00,000 Equity Shares of ₹ 1.00 each fully paid-up.	1.00
	<b>TOTAL</b>	<b>1.00</b>

### Post-Scheme capital structure of our Company:

Sr. No	Particulars	Aggregate nominal value (Rs in Lakhs)
<b>A.</b>	<b><u>Authorised Share Capital</u></b>	
	11,01,10,000 Equity Shares of ₹ 10/- each	11,011.00
	<b>TOTAL</b>	<b>11,011.00</b>
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital</b>	
	1,09,85,000 Equity Shares of ₹ 10.00 each fully paid-up.	1,098.50
	<b>TOTAL</b>	<b>1,098.50</b>

The initial authorised capital of the Company at the time of incorporation was Rs. 1,00,000/- (Rupees One Lakh only) consisting of 1,00,000 (One Lakh) equity shares of Face value of Re. 1 (Rupee one only) each. Post approval of the scheme, the face value of the equity shares of the Company was consolidated from Re. 1 to Rupees 10 each and the authorised capital was increased to Rs. 1,10,11,00,000 (Rupees One Hundred Ten Crores Eleven Lakhs Only) divided into 11,01,10,000 (Eleven Crores and One Lakh Ten Thousand only) equity shares of face value of Rs. 10 (Rupees Ten only) each.

Please note, 10,000 Equity Shares of Rs. 10 each of the Company held by GFL Limited and its nominees shall stand cancelled pursuant to the Scheme of Arrangement.

### Pre and Post Shareholding Pattern of our Company.

Sr. No.	Particulars	Pre-scheme number of shares	% of Holding of Pre-scheme	Post-scheme number of shares	% of Holding of Post-scheme
1.	Promoter and Promoter Group				
a)	GFL Limited	99,400	99.40	-	-
b)	Vivek Kumar Jain*	100	0.10	2,010	0.0183
c)	Deepak Ranjit Asher*	100	0.10	-	-
d)	Pavan Kumar Jain*	100	0.10	2,010	0.0183
e)	Devendra Kumar Jain*	100	0.10	2,010	0.0183
f)	Devansh Jain*	100	0.10	1,000	0.0091
g)	Siddharath Jain*	100	0.10	2,000	0.0182
h)	Hem Kumari	-	-	1,000	0.0091
i)	Kapoor chand Jain	-	-	1,000	0.0091
j)	Nandita Jain	-	-	1,000	0.0091

Sr. No.	Particulars	Pre-scheme number of shares	% of Holding of Pre-scheme	Post-scheme number of shares	% of Holding of Post-scheme
k)	Nayantara Jain	-	-	1,000	0.0091
l)	Inox Leasing and Finance Ltd	-	-	58,14,902	52.9349
m)	Devansh Trademart LLP	-	-	6,66,236	6.0650
n)	Siddhapavan Trading LLP	-	-	5,57,644	5.0764
o)	Inox Chemicals LLP	-	-	2,95,523	2.6902
p)	Siddho Mal Trading LLP	-	-	2,01,926	1.8382
	Total Promoter and Promoter Group	1,00,000	100.00	75,49,261	68.7234
2.	Public#	-	-	34,35,739	31.2766
	<b>Total</b>	<b>1,00,000</b>	<b>100.00</b>	<b>1,09,85,000</b>	<b>100.00</b>

## NOTES TO THE CAPITAL STRUCTURE

### 1. History of Equity Share Capital of our Company

#### a. Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital build-up of our Company.

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs)	Issue Price (Rs.)	Nature of consideration	Nature / Reason of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (Rs.)
Upon incorporation	1,00,000	1.00	1.00	Cash	Subscription to MOA <sup>(1)</sup>	1,00,000	1,00,000
March 31, 2021	1,09,85,000	10.00 <sup>##</sup>	NA	other than cash	Allotment of Equity Shares pursuant to Scheme of Arrangement <sup>#</sup>	1,09,85,000	10,98,50,000

(1) On Incorporation 100% shareholding of our Company was held by GFL Limited and its nominees and were issued 1,00,000 (One Lakh) Equity shares of Rs. 1.00 (Rupee One only) each on March 06, 2020.

<sup>#</sup>Pursuant to the Composite Scheme of Arrangement becoming effective, these 1,00,000 equity shares of Rs. 1.00/- (Rupee One only) each held by GFL Limited and its nominees stands cancelled and the shareholders of GFL Limited as on the Record date March 30, 2021 have been allotted on March 31, 2021, 1,09,85,000 equity share of the face value of Rs. 10.00 each of our Company for each share held in GFL Limited. As a result of this, Promoter and Promoter Group of GFL Limited are now Promoter and Promoter Group of our Company, were allotted total 75,49,261 Equity shares of Rs. 10 each/- in the Company comprising of 68.72% in the equity capital of our Company.

<sup>##</sup>Post approval of the Scheme, the face value of the Shares of the Company has been consolidated to Rs. 10/- per share from Rs. 1/- per share. Accordingly, Capital Structure of the company changed to Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10/- each.

- b. Except as disclosed above, our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 230 – 234 of the Companies Act.
- c. Except as disclosed above, our Company has not issued any Equity Shares or preference shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.
- d. Issue of Equity Shares allotted for consideration other than cash:

Except for the issuance of Equity Shares to the shareholders of GFL Limited as per the Scheme, our Company has not issued any Equity Shares for consideration other than cash. For further details regarding the Scheme, please see the section titled ‘Scheme of Arrangement’ on page 73 of this Information Memorandum.
- e. Our Company does not have any outstanding preference shares, warrants or any other convertible securities as on the date of filing of this Information Memorandum.
- f. Except for the allotment of Equity Shares pursuant to the Scheme and disclosed above, our Company has not issued any Equity Shares or preference shares during a period of 1 (one) year preceding the date of filing this Information Memorandum.
- g. Our Company, our Promoters and our Directors have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.

#### h. Shareholding Pattern of our Company

The following is the shareholding pattern of the Company as on the date of this IM.

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No of fully paid-up equity shares held (IV)	No of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII))	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI =VII +X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
<b>A</b>	Promoter and Promoter Group	14	75,49,261	--	--	75,49,261	68.72	75,49,261	68.72	--	68.72	--	--	--	--	75,49,261
<b>B</b>	Public	13,140	34,35,739	--	--	34,35,739	31.28	34,35,739	31.28	--	31.28	--	--	--	--	33,55,889
<b>C</b>	Non-Promoter Non-Public	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C1</b>	Shares Underlying DRs	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C2</b>	Shares held by Employee Trusts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	<b>Total (A+B+C)</b>	<b>13,154</b>	<b>1,09,85,000</b>	<b>--</b>	<b>--</b>	<b>1,09,85,000</b>	<b>100.00</b>	<b>1,09,85,000</b>	<b>100.00</b>		<b>100.00</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,09,05,150</b>

**i. Other details of the Shareholding of the Company**

- i. As on the date of this Information Memorandum, our Company has 13,154 shareholders.
- ii. Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis, as on the date of this Information Memorandum.

Sr. No.	Name of the Shareholders	No. of Equity Shares	(%) of the Equity Share Capital
1.	Inox Leasing and Finance Limited	58,14,902	52.94
2.	Devansh Trademart LLP	6,66,236	6.06
3.	Siddhapavan Trading LLP	5,57,644	5.08
4.	Meenu Bhanshali	5,49,518	5.00
5.	Inox Chemicals LLP	2,95,523	2.69
6.	HDFC Trustee Company Ltd - A/C HDFC Mid - Capopportunities Fund	2,64,646	2.41
7.	Premier Investment Fund Limited	2,40,986	2.19
8.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund	2,24,980	2.05
9.	Blue Diamond Properties Pvt. Ltd.	2,16,592	1.97
10.	Siddho Mal Trading LLP	2,01,926	1.84
11.	Vallabh Bhanshali	1,38,458	1.26
12.	Bavaria Industries Group Ag	1,24,975	1.14
	<b>TOTAL</b>	<b>92,96,386</b>	<b>84.63</b>

- iii. Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Information Memorandum.

Sr.No.	Name of the Shareholders	No. of Equity Shares	(%) of the Equity Share Capital
1.	GFL Limited	99,400	99.40
2.	Vivek Kumar Jain*	100	0.10
3.	Deepak Ranjit Asher*	100	0.10
4.	Pavan Kumar Jain*	100	0.10
5.	Devendra Kumar Jain*	100	0.10
6.	Devansh Jain*	100	0.10
7.	Siddharath Jain*	100	0.10
	<b>TOTAL</b>	<b>1,00,000</b>	<b>100.00</b>

*\*Nominees of GFL Limited*

- iv. Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company, on a fully diluted basis, as of the date one year prior to the date of this Information Memorandum:

Sr.No.	Name of the Shareholders	No. of Equity Shares	(%) of the Equity Share Capital
1.	GFL Limited	99,400	99.40
2.	Vivek Kumar Jain*	100	0.10

3.	Deepak Ranjit Asher*	100	0.10
4.	Pavan Kumar Jain*	100	0.10
5.	Devendra Kumar Jain*	100	0.10
6.	Devansh Jain*	100	0.10
7.	Siddharath Jain*	100	0.10
	<b>TOTAL</b>	<b>1,00,000</b>	<b>100.00</b>

*\*Nominees of GFL Limited*

*Since the Company was incorporated on March 6, 2020, we have provided data as on the date of incorporation.*

- v. Set forth below is a list of Top ten shareholders of our Company, on a fully diluted basis, as on the date of this Information Memorandum.

Sr. No.	Name of the Shareholders	No. of Equity Shares	(%) of the Equity Share Capital
1.	Inox Leasing and Finance Limited	58,14,902	52.94
2.	Devansh Trademart LLP	6,66,236	6.06
3.	Siddhapavan Trading LLP	5,57,644	5.08
4.	Meenu Bhanshali	5,49,518	5.00
5.	Inox Chemicals LLP	2,95,523	2.69
6.	HDFC Trustee Company Ltd - A/C HDFC Mid - Capopportunities Fund	2,64,646	2.41
7.	Premier Investment Fund Limited	2,40,986	2.19
8.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund	2,24,980	2.05
9.	Blue Diamond Properties Pvt. Ltd.	2,16,592	1.97
10.	Siddho Mal Trading LLP	2,01,926	1.84
	<b>TOTAL</b>	<b>90,32,983</b>	<b>82.23</b>

- vi. Except to the extent required to comply with applicable law, our Company, presently, does not intend nor does it propose to alter its capital structure for a period of 6 (six) months from the date of this Information Memorandum, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements (including significant project expansion), our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

**j. Capital Built-up of Promoters**

As on the date of this IM, our Promoters, Member of our Promoter Group and Directors of Corporate Promoters in our Company holds **75,49,261** equity shares representing 68.72% of the Issued, subscribed and paid-up capital of the Company, as set forth in the table below:

Sr.No.	Name of the Shareholders	No. of Equity Shares	(%) of the Equity Share Capital
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	PROMOTER AND PROMOTER GROUP		
1.	Inox Leasing and Finance Ltd	58,14,902	52.93
2.	Devansh Trademart LLP	6,66,236	6.06
3.	Siddhapavan Trading LLP	5,57,644	5.08
4.	Inox Chemicals LLP	2,95,523	2.69
5.	Siddho Mal Trading LLP	2,01,926	1.84
6.	Devendra Kumar Jain	2,010	0.02
7.	Pavan Kumar Jain	2,010	0.02
8.	Vivek Kumar Jain	2,010	0.02
9.	Siddharath Jain	2,000	0.02
10.	Devansh Jain	1,000	0.01
11.	Hem Kumari	1,000	0.01
12.	Kapoor Chand Jain	1,000	0.01
13.	Nandita Jain	1,000	0.01
14.	Nayantara Jain	1,000	0.01
	<b>TOTAL</b>	<b>75,49,261</b>	<b>68.72</b>

**k. Build-up of the Promoter shareholding in our Company**

Date of Allotment	Nature of Transaction	No. of Equity Shares	Face Value of Equity Shares	Issue Price per Equity Share
<b>INOX LEASING AND FINANCE LIMITED</b>				
March 31, 2021	Pursuant to Composite Scheme of Arrangement	58,14,902	10.00	Other than cash

- l. All Equity shares are fully-paid up as on the date of allotment of such Equity Shares.
- m. As on the date of this IM, none of the Equity Shares held by our Promoters are Pledged.
- n. Except as disclosed under *“Our Management”* at pages 75, none of the Directors or Key Managerial Personnel hold any Equity Shares as on the date of this Information Memorandum.
- o. Except for the allotment of the Equity Shares pursuant to the Scheme vide NCLT order dated January 25, 2021, none of the Members of the Promoter Group, the Promoters, the Directors of our corporate Promoters, our Directors and their relatives have purchased or sold any securities of our Company during the period of 6 (six) months immediately preceding the date of this Information Memorandum.
- p. As on the date of this Information Memorandum, our Company does not have any employee stock option scheme.
- q. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, directors of our corporate Promoters and/or our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of 6 (six) months immediately preceding the date of this Information Memorandum.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
INOX WIND ENERGY LIMITED  
3rd Floor, ABS, Tower,  
Old Padra Road, Alkapuri,  
Vadodara- 390007.

Dear Sir(s)/Madam(s),

**Sub: Statement of Possible Special tax benefit ('the Statement') available to Inox Wind Energy Limited (the "Company") and the shareholders of the Company prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations') for incorporation in Information Memorandum ("IM").**

### Introduction

1. This Certificate is issued in relation to the Information Memorandum, to be issued in connection with the proposed listing of equity shares of the Company.
2. We, hereby confirm that the enclosed Annexure 'A' prepared by Inox Wind Energy Limited ('Company') and initialled by us and the Company for identification purpose (the "Statement"), provides the possible special tax benefits available to the Company and to its shareholders under the Income Tax Act, 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2020, i.e. applicable for the Financial Year 2020-21 relevant to the assessment year 2021-22, presently in force in India.

### Management's Responsibility for the Statement

3. The Statement is solely the responsibility of the Management of the Company. The said Statement has been compiled by the Management based on the provisions of the Income Tax Act, 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2020, i.e. applicable for the Financial Year 2020-21 relevant to the assessment year 2021-22, presently in force in India. The Management's responsibility includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with laws and regulations applicable to its activities.

### Auditors' Responsibility

4. We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ('ICAI') which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act 2013, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available as of 31<sup>st</sup> March, 2021 to the Company and the shareholders of the

Company, in accordance with the applicable direct taxation laws presently in force in India as at the date of our report. We hereby report that we have reviewed the possible special tax benefits available to the Company and to the shareholders of the Company, in the enclosed Statement.

6. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

#### **Inherent Limitations**

7. We draw our attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information:
  - a. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.
  - b. The benefits discussed in the enclosed Annexure covers only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company. The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of the issuance of shares by the Company to the respective shareholders.

#### **Conclusion**

8. We do not express any opinion or provide any assurance as to whether:
  - a. the Company and/or its shareholders will continue to obtain these benefits in the future;
  - b. the conditions prescribed for availing the benefits where applicable, have been/would be met with; and
  - c. the revenue authorities/courts will concur with the views expressed herein.

This certificate is intended solely for the inclusion in the Information Memorandum to be issued in connection with the proposed listing of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

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

**Sandeep Dahiya**  
**Partner**  
**Membership No. 505371**  
**UDIN: 21505371AAAAJX8752**  
**Date: 01<sup>st</sup> April, 2021**  
**Place: New Delhi**

## **Annexure 'A'**

### **STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND IT'S SHAREHOLDERS UNDER APPLICABLE DIRECT TAXATION LAWS.**

#### **1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

##### **No Special Tax benefits available to the Company**

There are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, and notifications issued under this Act and Rules.

#### **2. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

##### **No Special Tax benefits available to the Shareholders**

The shareholders of the Company are also not eligible to any special tax benefits under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962 and notifications issued under this Act and Rules.

##### **Notes:**

- a) We have not considered the general tax benefits available to the Company, or shareholders of the Company.
- b) The above is as per the prevalent Tax Laws as on date.
- c) The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
- d) This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
- e) This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of the shares allotted pursuant to the Scheme of Arrangement between Inox Renewables Limited , GFL Limited and Inox Wind Energy Limited
- f) No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with this migration have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.*

#### POWER INDUSTRY

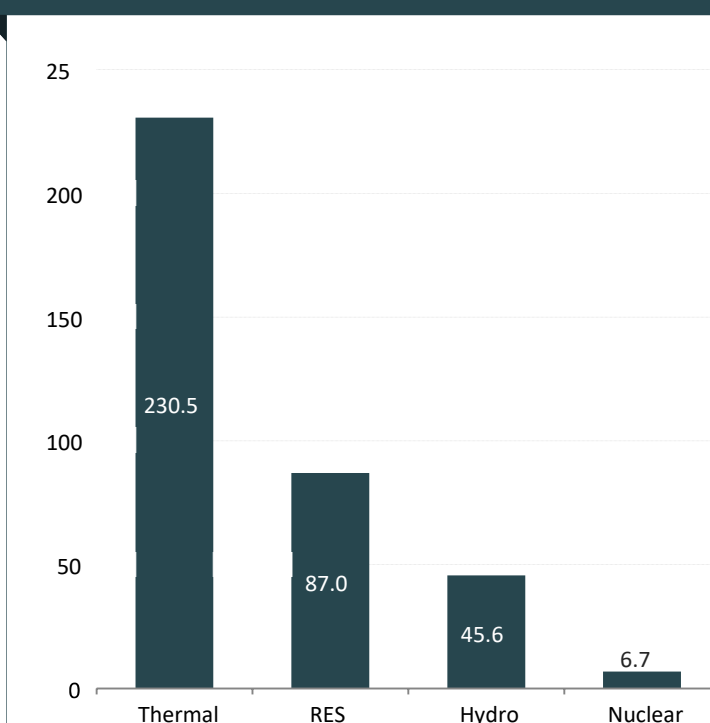
##### OVERVIEW

**Sources of Power with shares in total installed capacity:**

<b>THERMAL (61.9%)</b>	<b>RENEWABLE (24.0%)</b>	<b>HYDRO (12.2%)</b>	<b>NUCLEAR (1.8%)</b>
<p><b>Coal:</b> India has large reserves of coal. By October 2020, the total installed coal thermal power capacity in India stood at 199.59 GW (Gigawatt). By 2022, it is expected to witness total installed capacity addition of 47.86 GW.</p> <p><b>Gas and Lignite:</b> India's gas thermal power capacity stood at 24.95 GW as of October 2020. By 2022, it is expected to witness total installed capacity addition of 0.41 GW. Lignite thermal power capacity stood at 6.26 GW as of October 2020.</p> <p><b>Diesel:</b> India's diesel thermal power capacity was about 0.50 GW as of October 2020.</p>	<p>Wind energy is the largest renewable energy source in India. Projects like the Jawaharlal Nehru National Solar Mission (aims to generate 20,000 MW of solar power by 2022) are creating a positive environment among investors keen to exploit India's potential. There are plans to set up four solar power plants of 1 GW each. As of October 2020, India had 89.63 GW of renewable energy capacity. The target is to achieve installed capacity of 227 GW by FY22.</p>	<p>With a large swathe of rivers and water bodies, India has an enormous potential for hydropower. As of October 2020, India's hydro power generating capacity stood at 45.69 GW. By 2022, it is expected to witness total installed capacity addition of 6.82 GW.</p>	<p>As of October 2020, India had 6.78 GW of installed nuclear capacity. With one of the world's largest reserves of thorium, India has a huge potential in nuclear energy. By 2022, it is expected to witness total installed capacity addition of 3.30 GW.</p>

- In FY20, the total thermal installed capacity in the country stood at 230.59 GW. Renewable, hydro and nuclear energy installed capacity totalled 87.02 GW, 45.69 GW and 6.78 GW, respectively.
- By 2022, India has a target to achieve total production of 227 GW from renewable resources, of which 114 GW will be produced from solar power.
- As part of the green corridor project, power lines would transmit 20 GW of power capacity from 34 solar parks across 21 states.
- In April 2020, NTPC Vindhyachal became the largest power plant in the country to achieve a plant load factor (PLF) of 100%.

Installed capacity for different sources of power - FY20



## INDIAN ECONOMY

Power is among the most critical component of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

In May 2018, India ranked fourth in the Asia Pacific region out of 25 nations on an index that measured their overall power. India was ranked fourth in wind power, fifth in solar power and fifth in renewable power installed capacity as of 2018. India ranked sixth in the list of countries to make significant investments in clean energy at US\$ 90 billion.

### Market Size:

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

By 2022, solar energy is estimated to contribute 114 GW, followed by 67 GW from wind power and 15

GW from biomass and hydropower. The target for renewable energy has been increased to 227 GW by 2022.

Total installed capacity of power stations in India stood at 373.43 GW as of October 2020. Electricity production reached 1,252.61 billion units (BU) in FY20.

### **Advantage in India:**

#### **Growing Demand:**

- Expansion in industrial activity to boost demand for electricity.
- Growing population along with increasing electrification and per-capita usage to provide further impetus.
- Power consumption is estimated to reach 1,894.7 TWh (TWh – Terawatt-Hour) in 2022.
- India ranked sixth in the list of countries to make significant investments in clean energy by allotting US\$ 90 billion between 2010 and the second half of 2019.

#### **Higher Investment:**

- India's power sector is forecast to attract investment worth Rs. 9-9.5 trillion (US\$ 128.24-135.37 billion) between FY19-FY23.
- Total FDI inflow in the power sector reached US\$ 15.23 billion between April 2000 and June 2020.
- As per the Economic Survey 2019-20, energy sector projects accounted for the highest share (24%) in the Rs. 111 lakh crore (US\$ 1.4 trillion) National Infrastructure Pipeline between 2019- 20 and 2024-25.

#### **Policy Support:**

- 100% FDI allowed in the power sector has boosted FDI inflow in this sector.
- On April 28, 2018, all un-electrified inhabited census villages were electrified, supported by schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS).

#### **Attractive Opportunities:**

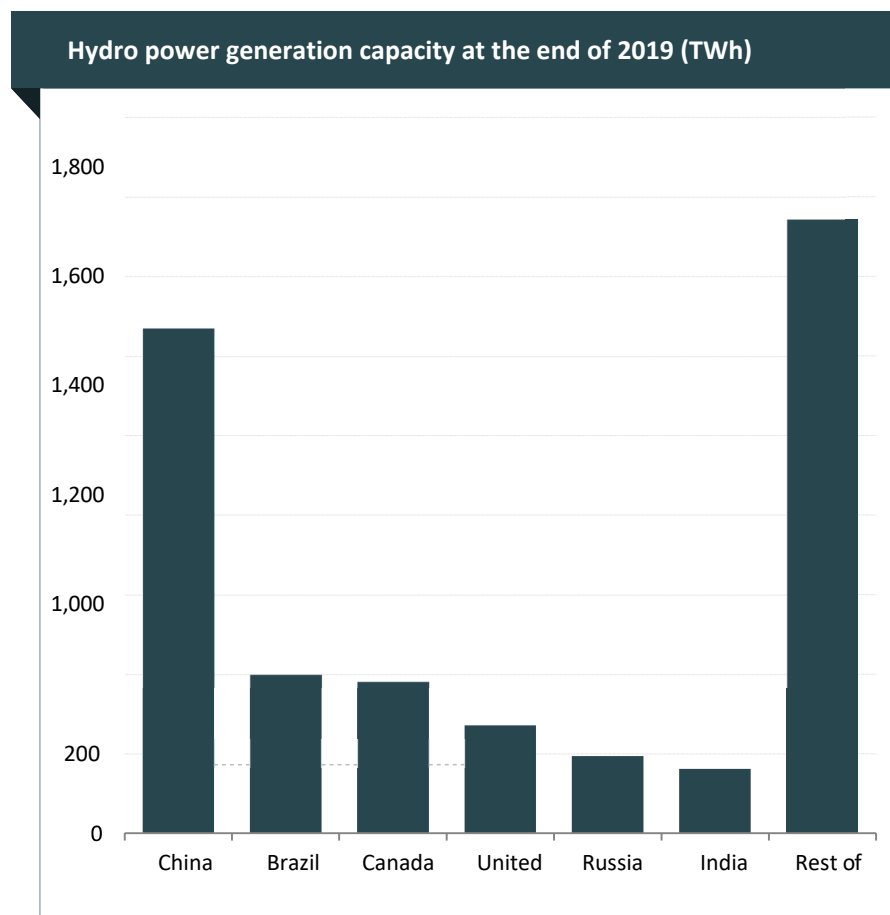
- In June 2019, Government launched US\$ 5 billion of transmission-line tenders in phases to reach 175 GW (Gigawatt) target by 2022.
- In June 2020, Government launched pan- India Real Time Market in electricity.

### **RENEWABLE ENERGY IS FAST EMERGING AS A MAJOR SOURCE OF POWER**

- Wind energy is the largest source of renewable energy in India. It accounts for 42.8% (37.99 GW) of the total installed renewable capacity (88.79 GW). There are plans to double wind power generation capacity to 60 GW by 2022.
- Solar Power is the second-largest source of renewable energy. It accounts for 40.25% (35.73 GW) of total the renewal energy installed capacity (88.79 GW). The Government has set a target of achieving 100 GW by 2022.
- The Ministry of Power aims to achieve 227 GW of installed renewable energy capacity by 2022.
- Government plans to establish renewable energy capacity of 500 GW by 2030.
- Around 15 GW of wind-solar hybrid capacity is expected to be installed between 2020-2025.
- In October 2020, Patel Engineering announced that it has won an order worth Rs. 1,564.42 crore (US\$

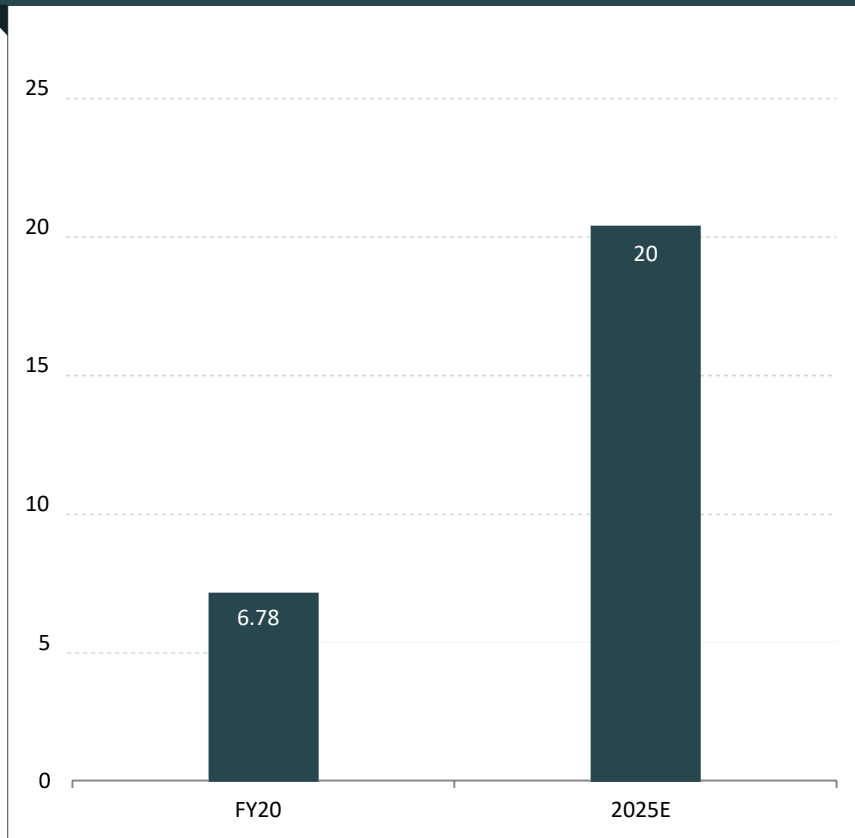
211.15 million) to build 2,000 MW Subansiri Lower Hydro Electric project in Arunachal Pradesh.

- On November 17, 2020, Energy Efficiency Services Limited (EESL), a joint venture of PSUs under the Ministry of Power and Department of New & Renewable Energy (DNRE), Goa, signed a memorandum of understanding to discuss roll-out of India's first Convergence Project in the state.
- India has a net installed capacity of 6.78 GW as of October 2020. It has been using nuclear fuels across 20 reactors, and of these, 18 are Pressurised Heavy Water Reactors (PHWR) and 2 are Boiling Water Reactors (BWR).
- Nuclear Power Corporation of India Limited (NPCIL) plans to construct 5 nuclear energy parks with a capacity of 10,000 MW.
- The Government of India will set up 21 new nuclear power reactors with a total installed capacity of 15,700 megawatt (MW) by 2031.
- On July 23, 2020, NPCIL achieved criticality of a third unit of 700 Mwe (Megawatt electric) at its plant in Tapi district based completely on indigenous technology.





### Nuclear energy installed capacity in India (GW)



## GOVERNMENT INITIATIVES

The Government of India has identified power sector as a key sector of focus to promote sustained industrial growth. Some initiatives by the Government to boost the Indian power sector are as below:

- On November 17, 2020, Energy Efficiency Services Limited (EESL), a joint venture of PSUs under the Ministry of Power and Department of New & Renewable Energy (DNRE), Goa, signed a memorandum of understanding to discuss roll-out of India's first Convergence Project in the state.
- In October 2020, the government announced a plan to set up an inter-ministerial committee under NITI Aayog to forefront research and study on energy modelling. This, along with a steering committee, will serve the India Energy Modelling Forum (IEMF) jointly launched by NITI Aayog and the United States Agency for International Development (USAID)
- The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The energy sector is likely to account for 24% capital expenditure over FY 2019-25
- The Union Budget 2020-21 has allocated Rs. 15,875 crore (US\$ 2.27 billion) to the Ministry of Power and Rs. 5,500 crore (US\$ 786.95 million) to Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY).
- Government plans to establish renewable energy capacity of 500 GW by 2030.
- Pradhan Mantri Sahaj Bijli Har Ghar Yojana-Saubhagya was launched by Government of India with an aim to achieve universal household electrification by March 2019.
- In September 2018, a draft amendment to Electricity Act, 2003 was introduced. It discussed separation of content & carriage, direct benefit transfer of subsidy, 24\*7 power supply as an obligation, 49enalization on violation of PPA, setting up smart meter and prepaid peters along with regulations related to the same.
- Ujwal Discoms Assurance Yojana (UDAY) was launched by the Government to encourage operational and financial turnaround of State-owned Power Distribution Companies (DISCOMS) with an aim to reduce Aggregate Technical & Commercial (AT&C) losses to 15% by FY19.
- In August 2018, the Ministry of New and Renewable Energy set solar power tariff cap at Rs. 2.50 (US\$ 0.04) and Rs. 2.68 (US\$ 0.04) units, respectively, for developers using domestic and imported solar cells and modules.
- Government of India approved National Policy on Biofuels-2018. Benefits of this policy were health benefits, cleaner environment, employment generation, reduced import dependency, boost to infrastructural investment in rural areas and additional income to farmers.

## ACHIEVEMENTS

Following are the achievements of the Government in the past four years:

- In the first half of November 2020, India's power consumption increased 7.8% to 50.15 billion units (BU), indicating an improvement in economic activity, according to government data. According to data from the power ministry, power consumption in the country was registered at 46.52 BU between November 1 and November 15 last year.
- Energy generation from thermal sources stood at 472.90 billion units (BU) in April-September 2020.
- In April 2020, NTPC Vindhyachal became the largest power plant in the country to achieve a plant load factor (PLF) of 100%.

- India's rank jumped to 22 in 2019 from 137 in 2014 on World Bank's Ease of doing business – "Getting Electricity" ranking.
- Energy deficit reduced to 0.7% in FY20 from 4.2% in FY14.
- Over 353 million LED bulbs were distributed to consumers in India by Energy Efficiency Services Limited (EESL) under Unnati Jyoti by Affordable LEDs for All (UJALA) in July 08, 2019. 11.17 million LED bulbs were sold by private players till March 2019.
- As of April 28, 2018, 100% village electrification was achieved under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY).

## **INVESTMENT SCENARIO**

Between April 2000 and June 2020, the industry attracted US\$ 15.23 billion in Foreign Direct Investment (FDI), accounting for 3% of total FDI inflow in India.

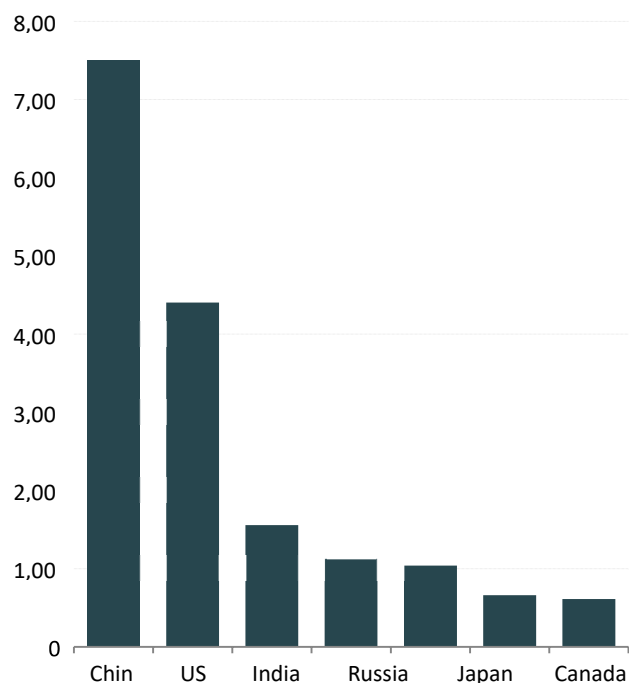
Some major investments and developments in the Indian power sector are as follows:

- In March 2020, the Central Government signed virtual agreement to conclude strategic sales in Kamarajar Port Ltd, THDC India Ltd and North Eastern Electric Power Corporation Limited (NEEPCO), and it will receive Rs. 13,500 crore (US\$ 1.93 billion) from these deals.
- In December 2019, NTPC announced investment of Rs. 50,000 crore (US\$ 7.26 billion) to add 10GW solar energy capacity by 2022.
- In August 2019, Sembcorp Industries, the Singapore-based energy firm, made an equity infusion of Rs. 521 crore (US\$ 101.6 million) into Sembcorp Energy India Ltd.
- Brookfield will invest US\$ 800 million in ReNew Power.
- In September 2019, Adani Transmission planned to acquire the entire stake in Bikaner Khetri Transmission.
- ReNew Power and Shapoorji Pallonji will invest nearly Rs. 750 crore (US\$ 0.11 billion) in a 150 megawatt (mw) floating solar power project in Uttar Pradesh.
- The Government of India expected to offer nearly 20 power transmission projects worth Rs. 16,000 crore (US\$ 2.22 billion) for bidding in 2019.

## **INDIA AMONG TOP FOUR POWER GENERATING NATIONS**

- With a generation of 1,558.7 TWh, India is the third largest producer and the third largest consumer of electricity in the world.
- Although power generation has grown more than 100-fold since independence, growth in demand has been even higher due to accelerating economic activity.
- India is on its way to become the world's first country to use LEDs for all lighting needs, thereby saving Rs. 40,000 crore (US\$ 6.23 billion) on an annual basis.
- India's energy firms have made significant progress in the global energy sector. According to the S&P Global Platts Top 250 Global Energy Rankings 2019, Reliance Industries Ltd. and Indian Oil Corp. Ltd. ranked 19th and 25th, respectively.

**World's leading electricity generation in 2019 (TWh)**



#### **POLICY SUPPORT AND INITIATIVES**

<b>National Policy on Biofuels – 2018</b>	<ul style="list-style-type: none"> <li>• In May 2018, the Government of India approved National Policy on Biofuels 2018.</li> <li>• Benefits of this policy were related to health, clean environment, employment generation, reduced import dependency, and boost to infrastructural investment in rural areas.</li> </ul>
<b>Ultra Mega Power Projects (UMPPs)</b>	<ul style="list-style-type: none"> <li>• Launch of UMPP scheme through tariff-based competitive bidding.</li> <li>• Ease of land possession, provision of fuel, water and necessary clearances for enhancing investor confidence.</li> </ul>
<b>R-APDRP</b>	<ul style="list-style-type: none"> <li>• Linking disbursement of central Government funds (to states), with actual reduction in transmission and distribution losses. Sanctioned projects of more than US\$ 5.8 billion.</li> <li>• In June 2019, the state administrative council sanctioned Rs. 173 crore (US\$ 24.3 million) for Supervisory Control and Data Acquisition (SCADA) and Distribution Management System (DMS) under R-APDRP Scheme for Jammu and Srinagar cities.</li> </ul>
<b>Saubhagya Scheme</b>	<ul style="list-style-type: none"> <li>• The Pradhan Mantri Sahaj Bijli Har Ghar Yojana, “Saubhagya”, was launched by the Government of India with an aim of achieving universal household electrification by March 2019. By 2018, a total of 25 states achieved 100% household electrification, which included 23.1 million rural and 844,670 urban households.</li> </ul>

	<ul style="list-style-type: none"> <li>Amount of 1,463.95 crore (US\$ 209.45 million) was spent in 2017-18 for Saubhagya scheme, however, no additional budget allocation was made in 2019-20 for this scheme.</li> </ul>
<b>UJALA Scheme</b>	<ul style="list-style-type: none"> <li>Over 36.10 crore LED bulbs, 71.61 lakh LED tube lights and 23.10 lakh energy efficient fans have been distributed across the country, saving around 47 billion kWh per year. Around Rs. 18,935 crore (US\$ 2.71 billion) per year in electricity bills of consumer was saved.</li> </ul>
<b>Energy Conservation Campaign</b>	<ul style="list-style-type: none"> <li>Replacing nationwide street lights with LED lights.</li> <li>Plan to save 10% energy that would light up 11 crore lives.</li> <li>Replacing 1 crore bulbs in Delhi within one year.</li> </ul>
<b>Power to the people</b>	<ul style="list-style-type: none"> <li>The Union Budget 2020-21 has allocated Rs. 15,875 crore (US\$ 2.27 billion) to the Ministry of Power and Rs. 5,500 crore (US\$ 786.95 million) towards the Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY).</li> </ul>
<b>Ujwal Discoms Assurance Yojana (UDAY)</b>	<ul style="list-style-type: none"> <li>It was launched by the Government of India to encourage operational and financial turnaround of state-owned Power Distribution Companies (DISCOMS), with an aim to reduce Aggregate Technical &amp; Commercial (AT&amp;C) losses to 15% by FY19.</li> <li>The Government of India has signed four memorandum of understanding (MoU) with the state of Nagaland and Union Territories (UTs) of Andaman &amp; Nicobar Islands, Dadra &amp; Nagar Haveli &amp; Daman &amp; Diu under the Ujwal DISCOM Assurance Yojana (UDAY) to improve operational efficiency of electricity departments in these places.</li> </ul>
<b>Boost to manufacturing</b>	<ul style="list-style-type: none"> <li>To create potential for domestic manufacturers and developers, Government will auction 40 GW of renewable energy projects including 30 GW solar and 10 GW wind every year till 2028.</li> </ul>
<b>National Infrastructure Pipeline</b>	<ul style="list-style-type: none"> <li>The Government of India allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The energy sector accounted for 24% capital expenditure over FY 2019-25</li> </ul>
<b>Smart Meter</b>	<ul style="list-style-type: none"> <li>Under the Union Budget 2020-21, the government has set a target of installing smart electricity meters in all households across the country by 2023</li> </ul>
<b>India Energy Modelling Forum (IEMF)</b>	<ul style="list-style-type: none"> <li>In October 2020, the government announced a plan to set up an inter-ministerial committee under NITI Aayog to forefront research and study on energy modelling. This, along with a steering committee, will serve the India Energy Modelling Forum (IEMF) jointly launched by NITI Aayog and the United States Agency for International Development (USAID)</li> </ul>
<b>Direct Benefit Transfer (DBT) Scheme</b>	<ul style="list-style-type: none"> <li>Union and state Governments have agreed to implement Direct Benefit Transfer (DBT) scheme in the electricity sector for better targeting of subsidies.</li> </ul>
<b>Vision '24x7' Power for All'</b>	<ul style="list-style-type: none"> <li>All the states and union territories of India was on board to fulfil Government's vision of ensuring 24x7 affordable and quality power for all as per the Ministry of Power and New &amp; Renewable Energy, Government of India.</li> </ul>
<b>No environment clearance required for solar projects</b>	<ul style="list-style-type: none"> <li>The Ministry of Environment, Forest and Climate Change, Government of India has clarified that solar PV (photovoltaic) power, solar thermal power projects, and solar parks will not require the environment</li> </ul>

	clearance which was mandatory under the provisions of Environment Impact Assessment (EIA) notification, 2006.
<b>Green Energy Corridor Project</b>	<ul style="list-style-type: none"> <li>Under Union Budget 2019-20, the Government has allocated Rs. 5 billion (US\$ 73 million) to increase capacity of Green Energy Corridor Project along with Rs. 9.20 billion (US\$ 130 million) for wind and Rs. 30.05 billion (US\$ 440 million) for solar power projects</li> </ul>
<b>Tariff</b>	<ul style="list-style-type: none"> <li>Feed-in Tariff scheme is used for promoting generation of electricity from renewable energy sources. It allows power producers to sell renewable energy generated electricity to an off-taker at a pre-determined tariff for a given period.</li> <li>Ministry of New and Renewable Energy set solar power tariff caps at Rs. 2.50 (US\$ 0.04) and Rs. 2.68 (US\$ 0.04) unit for developers using domestic, and imported solar cells and modules, respectively, in August 2018.</li> </ul>
<b>Rent a roof policy</b>	<ul style="list-style-type: none"> <li>Indian Government is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022.</li> </ul>

#### STRATEGIES ADOPTED

<b>Control generation costs</b>	<ul style="list-style-type: none"> <li>Companies are developing captive coal fields to reduce price volatility and ensure uninterrupted supply of fuel to control generation cost.</li> <li>Most of the power companies are now located near energy source. This helps minimise costs of fuel transport.</li> </ul>
<b>Acquiring sources of fuel supply</b>	<ul style="list-style-type: none"> <li>Power companies are now looking at securing adequate supplies of fuel by targeting not only domestic but also overseas resources.</li> <li>Reliance Power already has coal reserves in Indonesia.</li> <li>Essar Power have captive coal mines in Indonesia from which it extracts coal for power plants in India.</li> <li>Government has enabled power utilities for swapping their coal supplies with the nearest source so as to save miscellaneous costs and decongest the rail network.</li> </ul>
<b>Diversifying generation technologies</b>	<ul style="list-style-type: none"> <li>Companies are using multiple-generation technologies based on a project's requirement.</li> <li>Companies such as NTPC and Reliance Power already have coal-fired, gas-fired and hydroelectric capacity. This helps them diversify and reduce dependence on a single source.</li> </ul>
<b>Additional revenue streams</b>	<ul style="list-style-type: none"> <li>Most of the companies are now looking to sell their carbon credits to generate additional revenue by employing supercritical technology.</li> </ul>
<b>Digital India</b>	<ul style="list-style-type: none"> <li>Launch of smart grid mission with 14 DISCOMS as a pilot.</li> <li>Smart metering for high-end users of electricity.</li> <li>In June 2020, Government launched pan-India Real Time Market in electricity.</li> </ul>

#### SUMMARY OF POWER INDUSTRY

<b>Third-largest producer and second-largest consumer globally</b>	<ul style="list-style-type: none"> <li>India is the third-largest producer and second-largest consumer of electricity in the world and had an installed power capacity of 373.43 GW as of October 2020. The country also has the fifth-</li> </ul>
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	<p>largest installed capacity in the world.</p> <ul style="list-style-type: none"> <li>• India was ranked fourth in wind power, fifth in solar power and fifth in renewable power installed capacity as of 2018.</li> </ul>
<b>Electrification achievements</b>	<ul style="list-style-type: none"> <li>• India has been on a path to achieve 100% household electrification as envisaged under the Saubhagya scheme. As of March 2019, more than 26.2 million households were electrified under the Saubhagya scheme.</li> <li>• Under Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), 100% villages across the country stands electrified as on April 2018.</li> </ul>
<b>Robust growth in renewables</b>	<ul style="list-style-type: none"> <li>• As of October 31, 2020, India had an installed renewable energy capacity of 89.63 GW.</li> <li>• Solar energy is estimated to contribute 114 GW, followed by 67 GW from wind power and 15 GW from biomass and hydropower by 2022. The target for renewable energy has increased to 227 GW by 2022.</li> <li>• The Government plans to double the share of installed electricity generation capacity of renewable energy to 40% till 2030.</li> </ul>
<b>Favourable policy environment</b>	<ul style="list-style-type: none"> <li>• 100% FDI is allowed under the automatic route in the power segment and renewable energy.</li> </ul>

(Source: <https://www.ibef.org/>)

## **BUSINESS OVERVIEW**

### **OVERVIEW**

Our Company is incorporated as an unlisted public company as Inox Wind Energy Limited under the provisions of Companies Act, 2013 in Vadodara, Gujarat, India vide Certificate of Incorporation dated March 06, 2020.

Our Company was incorporated as a Wholly Owned Subsidiary of GFL Limited. IWEL is incorporated with the objective of engaging in business of generation and sale of wind energy, providing services for Erection, Procurement and Commissioning (EPC) of wind farms and holding strategic business interest in Renewables. With the view to support the wind energy business and expand new synergies, the Board of Directors of GFL Limited on March 13, 2020; Inox Wind Energy Limited on March 13, 2020 and Inox Renewables Limited on March 13, 2020 have approved a Composite Scheme of Arrangement which envisaged following:

- A. Amalgamation of Inox Renewables Limited, Wholly-owned subsidiary with GFL Limited; and
- B. Demerger of the Renewable Energy Business (Demerged Undertaking more particularly defined in Scheme) of GFL Limited into Inox Wind Energy Limited on a going concern basis and for matters consequential, supplemental and/or otherwise integrally connected therewith.

The Scheme was sanctioned by NCLT, Ahmedabad Bench vide order dated January 25, 2021 and Part A and Part B were effective with the appointed date being, April 01, 2020 and July 01, 2020 respectively.

Post effective of the Scheme, Demerged Undertaking of GFL, which includes business of generation and sale of wind energy, providing services for EPC and operation & maintenance of wind farms, manufacturing of wind turbine generators, including parts and components thereof, holding strategic interest in such businesses and such similar activities have been vested in our Company from the Appointed Date 01 July, 2020.

Our Company has issued and allotted to the Shareholders of GFL, 1 (One) fully paid up equity share of INR 10/- each of the Company, for every 10 (Ten) fully paid up equity share of INR 1/- each held in GFL, which will be listed on BSE and NSE pursuant to the Scheme.

Our Company shall also provide turnkey solutions by supplying WTGs and shall also offer services including wind resource assessment, site/land acquisition, development of power evacuation, infrastructure development, erection and commissioning and also long-term operations and maintenance of wind power projects.

We develop these project sites and wind sites under acquisitions for customers as a part of our turnkey model for wind farm development. We engage independent contractors for infrastructure development at Wind Sites, including with respect to construction of group and unit sub-stations, transmission lines, roads, foundations of turbines, electrical work at site.

#### **Company Location and manufacturing facility:**

Our Company has received Demerged Undertaking of GFL Limited and will continue to run Renewable Energy Business at various sites as per details given hereunder:



Sr. No.	Particulars	Leasehold / freehold	Usage
1.	Vellalankottai village, Kayathar Taluka, Tuticorin District (Tamil Nadu)	Freehold	WTG and Transformer erected and vacant land
2.	Sivagnanapuram Village, Kayathar Taluk, Tuticorin District (Tamil Nadu)	Freehold	WTG and Transformer erected & vacant land
3.	Block No 34, Puduserry Panchayat, Puduserry central Village, Palakkad District	Leasehold	Sublease To DJMALPANI
4.	Block No 41, Elappulli Panchayat, Elappulli, 1 Village Palakkad.	Leasehold	Sublease To DJMALPANI
5.	Dangri PSS, Survey No 232/1482, Dangri Village, Fatehgarh Tehsil, Jaisalmer District, Rajasthan	Leasehold	220 KV Pooling sub station
6.	"Village Renavi Tal Khanapur (Vita) Dist Sangli -RVT 04" (Maharashtra)	Freehold	Turbine Erected & Comissioned ( <i>Turbine erection (RVT 04)</i> )
7.	"Village Renavi Tal Khanapur (Vita) Dist Sangli-RVT 16" (Maharashtra)	Freehold	Turbine Erected & Comissioned ( <i>Turbine erection (RVT 16)</i> )
8.	"Village Renavi Tal Khanapur (Vita) Dist Sangli-SBT30" (Maharashtra)	Freehold	Turbine Erected & Not- Comissioned ( <i>Turbine erection (SBT30)</i> )

*Note: The above property details are pertaining to only land which are in operational use as on date of this IM. For more details, Investors may refer to the website of the Company.*

#### **COLLABORATIONS/TIE-UPS/JOINT VENTURES**

Our Company has no collaborations or tie ups or joint venture as on the date of this IM.

#### **INFRASTRUCTURE FACILITIES AND UTILITIES**

Our Registered Office is equipped with computer systems, internet connectivity, other communication, equipment, security and other facilities which are required for our business operations to function smoothly.

#### **Raw Materials and Components**

Components and other electrical components, essential to our business that we do not manufacture in-house, are sourced either on a purchase order basis or pursuant to any supply agreements with our suppliers, if any.

#### **Water and Electricity**

Our Company is into the business of Erection, procurement contracts at various sites and the power requirement is met from local Electric supply company and water through bore well at sites.

#### **Human Resource**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our senior management is experienced in engineering, supply chain management, manufacturing, marketing, project development and maintenance of WTGs.

As on the date of this IM our total manpower strength is 6 including employees at our registered office and manufacturing facility.

#### **Marketing**

The efficiency of the marketing and sales network is critical success of our Company. Our sales and marketing team facilitates all aspects of business development, market intelligence, sales forecast, demand planning, product pricing. We intend to expand our customer base by reaching out to other geographical areas.

## **Competition**

At present, India is facing energy related problems due to growing industrial needs. The development of alternative and renewable energy sources is very crucial to overcome these problems. Wind energy has emerged as a sustainable energy option. The Indian WTG market is characterized by strong concentration among a small group of manufacturers. A major barrier existing in this industry is well established relationships between old wind turbine manufacturers. We compete on the basis of our product engineering and quality management. Our efficient cost structure is the primary factor that distinguishes us from our competitors.

## **OUR COMPETITIVE STRENGTHS**

### **1. *Ability to provide turnkey solutions for wind farm projects in India***

Based on our experience of working with customers in India, we believe many customers prefer not to engage in Wind Site acquisition and other processes associated with the development of wind farm projects. Our Company, provides turnkey solutions for wind farm projects. These services include wind resource assessment, site acquisition, infrastructure development, erection and commissioning and long-term operations and maintenance of wind power projects.

### **2. *Efficient cost structure***

We manufacture the key components of our WTGs in-house. We believe that this helps and ensures cost competitiveness, cost-effective logistics and attractive margins.

### **3. *Strong management team***

Our senior management are experienced in the quality, engineering, supply chain management, manufacturing, marketing, project development and maintenance of WTGs. Each of our senior managers in charge of these functions have experiences in their respective fields and considerable experience in the wind energy industry.

## **OUR BUSINESS STRATEGY**

### **1. *Expanding and improving our existing manufacturing facilities.***

Pursuant to this Scheme, we intend to meet expected increase in the demand of the Renewable Energy.

### **2. *Increasing our inventory of Project Sites***

As part of our strategy to provide turnkey solutions for wind farm projects, we intend to continue to pursue further wind site acquisition and development opportunities to replenish and expand our inventory of Wind Sites.

### **3. *Improving the cost-efficiency of generating power from wind energy while maintaining high quality standards and project execution capabilities.***

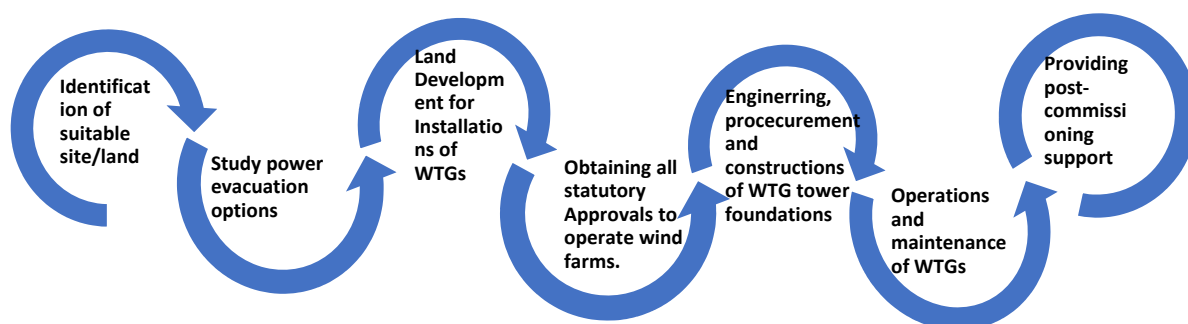
We aim to continue to improve the cost-efficiency of power generation from wind energy from our WTGs. We plan to achieve this goal by offering our customers more advanced WTGs.

### **4. *Continuing to consolidate our position in the Indian market and grow outside of India.***

We intend to develop our customer relationships and enter into agreements with the large independent wind power producers to ensure a steady expansion of capacity installations. To further expand our business, we intend to pursue international growth opportunities.

## **BUSINESS/PROCESS FLOW**

**The below flowchart represents our business process at each stage of the development of the wind farm projects:**



### **Identification of suitable site/land:**

At this stage, suitable land/site is identified including whether the land is Revenue Waste Land, private or forest land along with physical assessment and energy assessment.

### **Study power evacuation options:**

Study of power evacuations is done at site along with finalization of evacuation grid based on the load flow and capacity.

### **Land Development for Installations of WTGs:**

Our Company undertakes the land/site development for the purpose of construction of wind farm and installation of WTGs.

### **Obtaining all statutory Approvals to operate wind farms:**

Our Company obtains statutory approvals necessary to install and operate the wind farm and common infrastructure facilities including the sub-station and transmission lines. We also provide support in execution of power purchase agreements and banking agreements with state distribution companies.

### **Engineering, procurement and constructions of WTG tower foundations:**

Our Company at this stage, undertakes, constructions of WTGs tower foundations, supply, erection and installation of turbines, construction of sub-stations, installation of an energy meter to measure electricity generated.

### **Operations and maintenance of WTGs:**

Our Company provides, 24/7 operation and maintenance of WTGs and wind farms, including preventive maintenance of WTGs, sub-stations, transmission lines and other common infrastructure facilities. We also provide various manpower, including with respect to wind farm security.

### **Providing post-commissioning support:**

Our Company provides support for obtaining various registration for renewable energy. We have deployed customer relationship management for customers' daily generation reports, monthly billing and other support.

#### **CAPACITY UTILISATION**

Our Company will continue Renewable Energy Business received pursuant to the Scheme.

#### **LAND AND PROPERTY**

As given under head

<b>Sr. No</b>	<b>Description of Property</b>	<b>Area</b>	<b>Owned/ Leasehold</b>	<b>Seller/ Owner</b>	<b>Usage</b>
1.	3 <sup>rd</sup> Floor, ABS Tower, Old Padra Road, Vadodara 390007, Gujarat	100 sq. ft	Lease	Gujarat Fluorochemicals Limited	Registered Office of the Company
2.	612-618, Sixth Floor, Narain Manzil, 23 Barakhamba Road, New Delhi 1 - 110001.	20 sq. ft	Lease	Gujarat Fluorochemicals Limited	Office Premises

#### **INSURANCE**

The details of the insurance are as follows:

<b>Sr. N o.</b>	<b>Name of the Insurance Company</b>	<b>Name of the Insured</b>	<b>Policy No.</b>	<b>Type of the Policy</b>	<b>Validity Period</b>	<b>Premium</b>	<b>Sum Assured</b>	<b>Property Description</b>
1.	Bharati Axa General Insurance Company Limited	Inox Renewables Limited	I5976162	Commercial General Liability Insurance Policy	24.12.2020 to 23.12.2021	82,600	5 crores	All wind mill premises
2.	The Oriental Insurance Company Limited	Inox Renewables Limited	510000/48/2021/963	GROUP MEDICAL	18.07.2020 TO 17.07.2021	47,200	25 lakhs	23 PERSONS (8 EMP+ 15 DEPENDENTS)

#### **INTELLECTUAL PROPERTY**

For details, please refer to Chapter titled *“Government and Other Statutory Approvals”* on page 132 of this IM.

## KEY INDUSTRY REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations currently in force, applicable to our Company. The description of the applicable regulations as given below has been set out in a manner to provide general information to the Shareholders and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

### CENTRAL LAWS

#### ***Electricity Act, 2003 ("Electricity Act")***

The Electricity Act is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity. As per 61 (h), the appropriate commission shall, specify the terms and conditions for the determination of tariff, and one of the guiding factors in doing so shall be the promotion of co-generation and generation of electricity from renewable sources of energy. Pursuant to section 86(1)(e) of the Electricity Act has to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licence.

#### ***The National Electricity Policy, 2005 ("Electricity Policy")***

The Electricity Policy sets out the guidelines for development of the power sector including renewable energy. The National Electricity Policy aims at laying guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders keeping in view availability of energy resources, technology available to exploit these resources, economics of generation using different resources, and energy security issues.

#### ***The Factories Act, 1948***

The Factories Act, 1948 ("**Factories Act**") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

#### ***Contract Labour (Regulation and Abolition) Act, 1970***

The Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every

contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

### ***Child Labour (Prohibition and Regulation) Act, 1986***

The main objective of the Child Labour (Prohibition and Regulation) Act, 1986 ("Act") is to prohibit the engagement of children in certain employments and to regulate the conditions of work or children in certain other employments. The Act defines a child as any person who has not completed his fourteenth year of age. The Act prohibits children from working in any occupation listed in Part A of the Schedule; for example: catering at railway establishments, construction work on the railway or anywhere near the tracks, plastics factories, automobile garages, etc. The Act also outlines the conditions in which children may work in certain occupations/processes.

### ***The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957***

The Industrial Disputes Act, 1947 ("ID Act") was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

### ***The Employees' Compensation Act, 1923***

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### ***The Employees State Insurance Act, 1948***

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt

from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

#### ***The Employees' Provident Fund and Miscellaneous Provisions Act, 1952***

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

#### ***Equal Remuneration Act, 1976***

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

#### ***Maternity Benefit Act, 1961***

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

#### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/-.

#### ***The Payment of Bonus Act, 1965***

Pursuant to the Payment of Bonus Act, 1965, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus on the basis of profits of the



establishment. Contravention of the provisions of the Payment of Bonus Act, 1965 is punishable with imprisonment up to six months or a fine upto Rs.1,000/- only or both.

#### ***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 ("**MW Act**") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

#### ***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 ("**PG Act**") applies to every factory and shop or establishment in which ten or more employees are employed in preceding twelve (12) months.

Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days' wages for every completed year of service or part thereof in excess of 6 (six) months.

#### ***The Payment of Wages Act, 1936***

The Payment of Wages Act, 1936 ("**PW Act**") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

#### ***Child Labour (Prohibition and Regulation) Act, 1986***

The Child Labour (Prohibition and Regulation) Act, 1986. The main objective of the act is to prohibit the engagement of children in certain employments and to regulate the conditions of work or children in certain other employments. The act defines a child as any person who has not completed his fourteenth year of age. The act prohibits children from working in any occupation listed in Part A of the Schedule; for example: Catering at railway establishments, construction work on the railway or anywhere near the tracks, plastics factories, automobile garages, etc. The act also outlines the conditions in which children may work in certain occupations/processes.

#### ***Industrial Employment (Standing orders) Act, 1946***

The Industrial Employment (Standing orders) Act, 1946 - The employers of industrial establishments are required to define with sufficient precision the conditions of employment and to make the said conditions known to the workmen. The standing orders are certified by the Labour Commissioner.

### **ENVIRONMENT LAWS**

#### ***The Environment (Protection) Act, 1986 ("EPA")***

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

***The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)***

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

***The Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”) and Water (Prevention and Control of Pollution) Cess Rules, 1978 (“Water Cess Rules”)***

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and State PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under section 17 of the Water Cess Act and provide, *inter alia*, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

***Air (Prevention and Control of Pollution) Act, 1981***

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)***

An “occupier” has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous waste. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from concerned PCBs, for handling, generating, collecting, processing, treating, packaging, storing, transporting, using, recycling, recovering, pre-processing, co-processing, offering for sale, or the like of the hazardous and other wastes.

***Public Liability Insurance Act, 1991 (the “Public Liability Act”)***

The Public Liability Act, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of ‘hazardous substances’ covered by the legislation has been enumerated by the Government by way of a notification.

The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

## **INTELLECTUAL PROPERTY LAWS**

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

### **The Trademarks Act, 1999**

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trademarks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration have to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trademark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademarks Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

## **TAX RELATED LEGISLATIONS**

### ***Income-tax Act, 1961***

Income-tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### ***The Customs Act, 1962***

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number.

### ***The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any

person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976 have also been notified by the Government.

### ***Goods & Service Tax ("GST")***

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST (integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122<sup>nd</sup> Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

### **FOREIGN INVESTMENT REGULATIONS**

Foreign investment in India is governed by the provisions of the Foreign Exchange and Management Act ("FEMA") and the rules, regulations, notifications issued under the same, read with the extant Consolidated Foreign Direct Investment Policy, as issued by the Department of Industrial Policy and Promotion ("DIPP"). The Reserve Bank of India ("RBI"), in exercise of its powers under FEMA, has notified various regulations governing the purchase, sale, allotment or subscription of securities of an Indian company to a non-resident individual or entity. Pursuant to the aforementioned legal framework, no permission is required for investment in sectors falling under the 'automatic route' within the specified sectoral caps.

### **OTHER LAWS**

#### ***The Companies Act, 1956 and The Companies Act, 2013***

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

#### ***The Indian Contract Act, 1872 (Contract Act)***

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### ***The Information Technology (Amendment) Act, 2008 (IT Act)***

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008 introducing Sections 66A and 69 giving wide powers to the government authorities.

#### ***The Consumer Protection Act, 1986 (COPRA)***

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels.

#### ***Competition Act, 2002 ("Competition Act")***

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India "**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## **OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS**

### **Corporate Profile and Brief History of our Company**

Our Company was incorporated as unlisted public company in the name and style as *"Inox Wind Energy Limited"* under the provisions of Companies Act, 2013 in Vadodara, Gujarat, India vide Certificate of Incorporation dated March 06, 2020. The Corporate Identification Number is U40106GJ2020PLC113100.

Prior to the Composite Scheme of Arrangement approved by Hon'ble NCLT, January 25, 2021, Bench, amongst GFL Limited, IRL and IWEL and their respective shareholders, our Company was Wholly Owned Subsidiary of GFL Limited. Pursuant to the Composite Scheme becoming effective (i) amalgamation of Inox Renewables Limited with GFL Limited (Appointed date i.e., April 01, 2020) and (iii) demerger of the Demerged Undertaking of GFL Limited into IWEL on a going concern basis and for matters consequential, supplemental and/or otherwise integrally connected therewith from the Appointed date i.e., July 01, 2020.

Pursuant to the Scheme becoming effective, our Company is now engaged in providing turnkey solutions by supplying WTGs and shall also offer services including wind resource assessment, site/land acquisition, development of power evacuation, infrastructure development, erection and commissioning and also long-term operations and maintenance of wind power projects.

### **Changes in our Registered Office of our Company**

Since Incorporation, there has been no change in the Registered Office of our Company. The Registered Office of our Company is situated at 3rd Floor, ABS Towers, Old Padra Road, Vadodara 390007, Gujarat, India.

### **Main Objects of our Company**

1. To carry on in India or elsewhere the business of generating, accumulating, transmitting, distributing, conventional/ non-conventional energy sources and to construct, lay down, establish, operate and maintain purchasing, selling, supplying, acting as a broker and/or agent for, electricity power or any other energy from power/energy generating stations, wind farms and/or wind power plants, solar farms and/or solar power plants, thermal power plants, hydraulic power plants, atomic power plants and other power plants including buildings, structures, works, machineries, equipment, cables and to acquire, undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing, transferring to third person/s, power/energy generating stations, power plants and plants based on conventional or nonconventional energy sources, solar energy plants, wind energy plants, mechanical, electrical, hydel, civil engineering works and similar projects and providing consultancy to any person/s regarding any of the above.
2. To make investment in the shares, debentures and other securities of Renewable Energy Business held by GFL Limited along with all the related assets and liabilities, on a going concern basis, and shall include all assets and properties, whether movable or immovable, tangible or intangible, whether corporeal or incorporeal, leasehold or otherwise, plant and machinery, capital work in progress, advances, deposits, sundry debtors, inventories, cash and bank balances, shares, securities, bills of exchange, other fixed assets, trademarks, loans, inventory and work in progress wherever situated pertaining to the Renewable Energy Business.

### **Amendments to the MOA of our Company since incorporation**

Except as mentioned below there is no amendments to the MoA of our Company since incorporation.

Clause V - Pursuant to the scheme becoming effective, the authorised capital of our Company was increased from Rs. 1,00,000 (Rupees One Lakh Only) divided into 1,00,000 (One Lakh) equity shares of face value of Re. 1 to Rs. 1,10,11,00,000 (Rupees One Hundred Ten Crores Eleven Lakhs Only) divided into 11,01,10,000 (Eleven Crores and One Lakh Ten Thousand only) equity shares of face value of Rs. 10 (Rupees Ten only) each.

### Major Events, Milestones, Key Awards, Achievements and Accolades of our Company

The Company is incorporated in March 2020 and the business of our Company will be commenced post approval of scheme and transfer of Demerged Undertaking. Hence, currently our Company has no Major Events, Milestones, Key Awards, Achievements and Accolades.

### Holding Company

GFL Limited was a holding company of our Company as on the date of incorporation. However, pursuant to the scheme becoming effective, Inox Leasing and Finance Limited shall be the holding company of our Company.

Inox Leasing and Finance Limited (ILFL) was originally incorporated on February 17, 1995 as “Inox Leasing and Finance Private Limited”. ILFL has its registered office situated at 69 Jolly Maker Chambers II Nariman Point, Mumbai – 400021, Maharashtra, India.

The CIN of the Company is U65910MH1995PLC085703.

### Board of Directors

The Board of Directors of the ILFL as on the date of this IM is as follows:

Sr.No.	Name of the Director	DIN	Designation
1.	Devendra Kumar Jain	00029782	Director
2.	Vivek Kumar Jain	00029968	Director
3.	Pavan Kumar Jain	00030098	Managing Director
4.	Siddharth Jain	00030202	Director
5.	Devansh Jain	00206807	Director

### Financial Performance

The Audited Standalone Financials of ILFL are as follows:

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2020	2019	2018
Equity Share capital	999.35	999.35	999.35
Reserves and Surplus (excluding revaluation reserves)	15943.05	15793.53	15084.87
Networth	16942.40	16792.88	16084.22
Revenue (income from operation)	2417.37	2480.05	2551.38
Net Profit/(loss) after tax	2148.22	2707.34	2718.44
Basic and diluted earnings per share	21.50	27.09	27.20
NAV per share	169.53	168.04	160.95

The Audited Consolidated Financials of ILFL are as follows:

(₹ in lakhs)

Particulars	For the year ended March 31,
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	2020	2019	2018
Equity Share capital	999.35	999.35	999.35
Reserves and Surplus (excluding revaluation reserves)	318140.56	315889.32	256305.93
Networth	319139.91	316888.67	257305.28
Revenue (income from operation)	525573.30	561921.24	402383.91
Net Profit/(loss) after tax	11318.21	69633.92	14509.05
Basic and diluted earnings per share	113.25	696.79	145.18
NAV per share	3193.47	3170.95	2574.72

For more details on ILFL, please refer to the chapter “Our Promoter and Promoter Group” beginning on page no. 85 of this Information Memorandum.

### **Subsidiary Company**

Our Company does not have a Subsidiary Company.

### **Capital raising activities through Equity or Debt**

For details regarding our capital raising activities through equity and debt, please refer to the chapters titled “Financial Information” and “Capital Structure” beginning on page 104 and 34, respectively, of this IM.

### **Injunctions or Restraining Orders against our Company**

As on the date of this IM, there are no injunctions or restraining orders against our Company.

### **Mergers and Acquisitions in the history of our Company**

Other than pursuant to the Scheme, our Company has not undertaken any merger and / or Acquisition since its incorporation. Our Company has entered into a Composite Scheme of Arrangement between GFL Limited, Inox Renewables Limited and itself and their respective Shareholders.

### **Shareholders’ agreements**

Our Company has not entered into any shareholders’ agreement as on date of filing of this IM.

### **Other agreements**

Our Company has no other agreements as on the date of this IM.

### **Strategic / Financial Partners**

Our Company does not have any strategic / financial partner(s) as on the date of this IM

### **Defaults or rescheduling / restructuring of borrowings of our Company with Financial Institutions / Banks**

There have been no defaults or rescheduling of borrowings with any financial institutions / banks or conversion of loans into equity in relation to our Company as on the date of this IM.

### **Changes in the activities of our Company in the last Five years**

Prior to the Scheme becoming effective, the Company did not carry out any activity.

Pursuant to Scheme becoming effective and with effect from appointed date, IWEL shall be vested with all the renewable energy business of the Demerged Undertaking together with all its related assest and liabilities, on a going concern basis.



**Strikes and lock-outs**

Our Company has, since incorporation, not been involved in any labor disputes or disturbances including strikes and lock- outs. As on the date of this IM.

**Revaluation of Assets**

Our Company has not revalued its assets since incorporation.

**Time and Cost Overruns in setting up Projects**

As on the date of this IM, there have been no time and cost overruns pertaining to our business operations, except in the ordinary course of business.

## SCHEME OF ARRANGEMENT

### Details of the Scheme

The Composite Scheme of Arrangement was presented under the Sections 230 to 232 read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder for the:

- (i) amalgamation of Inox Renewables Limited (Transferor Company) with GFL Limited (First Transferee Company) or (where the context so requires “Demerged Company”) and
- (ii) demerger of the Demerged Undertaking of GFL Limited into Inox Wind Energy Limited (Second Transferee Company) on a going concern basis and for matters consequential, supplemental and/or otherwise integrally connected therewith.

The Composite Scheme of Arrangement was approved by the Board of Directors of GFL Limited on March 13, 2020; by the Board of Directors of Inox Wind Energy Limited on March 13, 2020 and by the Board of Directors of Inox Renewables Limited on March 13, 2020.

As on the date of filing of the Scheme with NCLT, the entire issued, subscribed and paid-up share capital of the Transferor Company is held by the First Transferee Company and its nominee. Therefore, the Transferor Company is a wholly owned subsidiary company of the First Transferee Company. Upon the Scheme becoming effective, no shares will be issued/allotted under the Scheme by the First Transferee Company.

Upon the Scheme becoming effective and in consideration of transfer and vesting of the Demerged Undertaking of GFL Limited into IWEL, Second Transferee Company will issue and allot Equity Shares to the Shareholders of the GFL, Demerged Company, whose names appear in the Register of Members of Demerged Company, on a record date as fixed by the Board of Directors of GFL, the Demerged Company in consultation with the Board of Directors of IWEL the second Transferee Company, in the ratio of one (1) fully paid up equity share of INR 10/- each of Inox Wind Energy Limited, the Second Transferee Company for every 10 (Ten) fully paid up equity share of INR 1/- each held in GFL Limited. The Board of Directors of IWEL, the Second Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government/Regulatory authorities and undertake necessary compliance for the issue and allotment of Equity Shares to the Members of GFL, the Demerged Company. The Equity Shares shall be issued and allotted by IWEL; Second Transferee Company which shall be listed on the Stock Exchanges, subject to entering into such arrangements and providing such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for IWEL, the Second Transferee Company for complying with the formalities / requirements of the Stock Exchanges. The requirements with respect to General Information Document are not applicable and this Disclosure Document should be read accordingly.

Upon the Scheme coming into effect and subsequent to reduction of share capital, the face value of the Equity Shares of IWEL, the Second Transferee Company shall be consolidated from ₹ 1 per share to ₹ 10 per share and pursuant to such consolidation, the issued, subscribed and paid-up equity share capital of IWEL, the Second Transferee Company will comprise of equity shares of the face value of ₹ 10 each fully paid.

Details about the basis for the Share Entitlement Ratio (SER) in accordance with the Scheme, the valuation report and fairness opinion are available on the websites of the BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com).

### Below is the extract of the Rationale of the Scheme

1. Each of the varied businesses being carried on by GFL, the First Transferee Company /Demerged

Company either by itself or through its subsidiaries including renewable energy business have significant potential for growth and profitability. The nature of risk, competition, challenges, opportunities and business methods for renewable energy business is separate and distinct from other businesses being carried out by GFL, the First Transferee Company/Demerged Company. The renewable energy business and the other businesses of GFL, the First Transferee Company /Demerged Company are capable of attracting a different set of investors, strategic partners, lenders and other stakeholders.

2. There are also differences in the manner in which the renewable energy business and other businesses of GFL, the First Transferee Company /Demerged Company are required to be handled and managed. In order to lend greater/enhanced focus to the operation of each of the said businesses, it is proposed to re-organize and segregate the renewable energy business by way of an arrangement.
3. The proposed arrangement would enable consolidation of same line of businesses into new wind company which will result in unlocking of value and creation of additional liquidity for the shareholders of GFL, the Demerged Company, which is currently embedded in the value of renewable energy business.
4. The proposed arrangement would enable pooling of homogenous assets and expertise across the group resulting in a business/asset/vertical specific corporate structure for better synergy realization, administrative efficiencies, independent collaboration and expansion.
5. The proposed arrangement would provide better management focus and specialization for sustained growth.
6. The proposed arrangement would provide opportunity for investors to invest only in the combined renewable energy business.
7. The proposed arrangement would enhance shareholder value by creating leaner and focused organizations.

**Appointed date:**

- a. in relation to Part II of the Scheme shall mean 1st April 2020 and
- b. in relation to Part III of the Scheme shall mean 1st July 2020,  
or such other date as may be approved by the National Company Law Tribunal or any other Appropriate Authority or the Board of Directors.

**Effective date:**

“Effective Date” means the opening hours of the day on which the last of approvals/conditions specified in Clause 30 of this Scheme are obtained or complied with. Reference to “coming into effect of the Scheme” or “effectiveness of this Scheme” shall mean the Effective Date.

## OUR MANAGEMENT

The following table sets forth the details of our Board of Director as of the date of filing of this IM:

Sr. No.	Name, Father's / Husband's Name, Designation, Address, Occupation, Age, Nationality, DIN	Other Directorships
1.	<p><b>Devendra Kumar Jain</b></p> <p><b>Father's Name:</b> Siddhomal Jain</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> 47, Golf Links, Lodhi Road, South Delhi 110003</p> <p><b>Date of Appointment:</b> March 06, 2020</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 91 years</p> <p><b>Date of Birth:</b> March 02, 1929</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00029782</p>	<ol style="list-style-type: none"> <li>1. GFL Limited</li> <li>2. Inox Leasing and Finance Limited</li> <li>3. Gujarat Fluorochemicals Limited</li> <li>4. Siddho Mal Trading LLP</li> <li>5. Rajni Farms Private Limited</li> <li>6. Devansh Trademart LLP</li> <li>7. Siddhapavan Trading LLP</li> <li>8. Devansh Gases Private Limited</li> <li>9. Inox Chemicals LLP</li> <li>10. Inox India Private Limited</li> </ol>
2.	<p><b>Vivek Kumar Jain</b></p> <p><b>Father's Name:</b> Devendra Kumar Jain</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> 47, Golf Links, Lodhi Road, South Delhi 110003</p> <p><b>Date of Appointment:</b> March 06, 2020</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 65 years</p> <p><b>Date of Birth:</b> August 30, 1955</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00029968</p>	<ol style="list-style-type: none"> <li>1. Inox Leasing and Finance Limited</li> <li>2. Inox Infrastructure Limited</li> <li>3. Inox Leisure Limited</li> <li>4. GFL Limited</li> <li>5. Gujarat Fluorochemicals Limited</li> <li>6. Rajni Farms Private Limited</li> <li>7. Devansh Trademart LLP</li> <li>8. Siddho Mal Trading LLP</li> <li>9. Devansh Gases Private Limited</li> <li>10. Inox Chemicals LLP</li> <li>11. Inox India Private Limited</li> <li>12. Inox Air Products Private Limited</li> </ol>
3.	<p><b>Shanti Prashad Jain</b></p> <p><b>Father's Name:</b> Jamsu Prashad Jain</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> J-57, J Block, Ashok Vihar, North West Delhi 110052, India.</p> <p><b>Date of Appointment:</b> March 06, 2020</p> <p><b>Occupation:</b> Business</p>	<ol style="list-style-type: none"> <li>1. GFL Limited</li> <li>2. S.P. Securities Limited</li> <li>3. Inox Infrastructure Limited</li> <li>4. Inox Wind Limited</li> <li>5. Inox Wind Infrastructure Services Limited</li> <li>6. Gujarat Fluorochemicals Limited</li> <li>7. Ashok Vihar Club</li> </ol>

Sr. No.	Name, Father's / Husband's Name, Designation, Address, Occupation, Age, Nationality, DIN	Other Directorships
	<b>Age:</b> 80 years <b>Date of Birth:</b> February 01, 1940 <b>Nationality:</b> Indian <b>DIN:</b> 00023379	
4.	<b>Vanita Bhargava</b> <b>Father's Name:</b> Mahesh Bhargava <b>Designation:</b> Independent Director <b>Address:</b> C-322, F/F, Defence Colony, New Delhi, South Delhi, Delhi 110024. <b>Date of Appointment:</b> March 06, 2020 <b>Occupation:</b> Lawyer <b>Age:</b> 46 years <b>Date of Birth:</b> March 01, 1974 <b>Nationality:</b> Indian <b>DIN:</b> 07156852	1. GFL Limited 2. Pilani Investment and Industries Corporation Limited 3. Gujarat Fluorochemicals Limited 4. Khaitan & Co LLP
5.	<b>Vineet Valentine Davis</b> <b>Father's Name:</b> Lovet Davis <b>Designation:</b> Whole Time Director <b>Address:</b> 204/110 Sohna Road, Orchid Petals, Sector 41, Gurgaon South City II, Haryana – 122018 <b>Date of Appointment:</b> February 26, 2021 <b>Occupation:</b> Business <b>Age:</b> 52 years <b>Date of Birth:</b> June 17, 1968 <b>Nationality:</b> Indian <b>DIN:</b> 06709239	1. Marut-Shakti Energy India Limited 2. Vinirrmma Energy Generation Private Limited 3. Satviki Energy Private Limited 4. Sarayu Wind Power (Tallimadugula) Private Limited 5. Sarayu Wind Power (Kondapuram) Private Limited 6. RBRK Investments Limited 7. Wind Four Renergy Private Limited 8. Wind Five Renergy Private Limited 9. Inox Wind Infrastructure Services Limited 10. Inox Wind Limited
6.	<b>Mr. Devansh Jain</b> <b>Father's Name:</b> Mr. Vivek Kumar Jain <b>Designation:</b> Additional Non-Executive Director <b>Address:</b> 47, Golf Links, Lodhi Road, South Delhi 110003	1. Inox Leasing and Finance Limited 2. Inox Wind Limited 3. Nexome Realty LLP 4. Siddho Mal Trading LLP 5. Devansh Trademart LLP 6. Inox FMCG Private Limited

Sr. No.	Name, Father's / Husband's Name, Designation, Address, Occupation, Age, Nationality, DIN	Other Directorships
	<p><b>Date of Appointment:</b> February 26, 2021</p> <p><b>Occupation:</b> Business</p> <p><b>Age:</b> 34 years</p> <p><b>Date of Birth:</b> October 13, 1986</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 01819331</p>	

### **Brief Biographies of our Directors**

#### **Devendra Kumar Jain**

**Devendra Kumar Jain**, aged 91 years, is the Non-Executive Director of our Company. He is a graduate in History (Hons.) from St. Stephens College, Delhi, possesses over 60 years of experience in business management and international trade. In recognition of his efforts to increase bilateral trade with Commonwealth countries, he was granted a Dignity of an Honorary Member of the Civil Division in the Order of the British Empire by Her Majesty, the Queen of England. He has been a member of the Indian National Committee of the International Chamber of Commerce and has been an Associate Member of the World Economic Forum, Geneva, Switzerland and a member of the Indian delegation to the Davos symposium on several occasions in past.

#### **Vivek Kumar Jain**

**Vivek Kumar Jain**, aged 65 years, is the Non-Executive Director of our Company. He is a graduate of Commerce from St Stephen's College, Delhi and a Master of Business Administration from Indian Institute of Management, Ahmedabad. He has over 34 years of experience in setting up and managing several businesses. He is Managing Director of Gujarat Fluorochemicals Limited (GFL) since its inception. Under his leadership, GFL has grown as an Industry with multiple business activities from a single manufacturing unit to a diversified business conglomerate producing several businesses of global scale of refrigerant gases to Chemical Complex with manufacturing of Caustic Soda, Chloromethane, and Poly Tetra Fluoro Ethane (PTFE). He has also entered into diversified business activities in the field of Entertainment and Renewable Energy Sector through subsidiaries of GFL.

#### **Shanti Prashad Jain**

**Shanti Prashad Jain**, aged 80, He is a leading Chartered Accountant and practicing since 1963. He has specialized in taxation matters of various companies and banks.

#### **Vanita Bhargava**

**Vanita Bhargava**, aged 46 years, She is a Commerce and Law graduate of Delhi University and partner in the Dispute Resolution Group of Khaitan & Co, New Delhi. She has 21 years of experience as practicing advocate at Supreme Court, High Court, Company Law Board, National Green Tribunal, Mining Tribunal, Consumer Forums and its Appellate Authorities. Her representative areas include Dispute Resolution, Domestic Tax, Environment, Indirect Tax, Infrastructure, Energy and Natural Resources, International Tax, Technology, Media and Telecom, Shareholder Dispute, Domestic and International Arbitration.

### **Devansh Jain**

**Devansh Jain**, aged 34 years, holds Double Major Degree in Economics and Business Administration from Carnegie Mellon University, Pittsburgh, USA. He has over 10 years of work experience in various management positions. He has been spearheading Inox Group's foray into the wind energy sector. He is on the National Council of Indian Wind Power Association and Honorary Secretary of Indian Wind Turbine Manufacturers Association. He has received following awards:

'Wind Power Man of the Year 2012-13' at the annual event conceptualized by Global Energia.

- Outstanding contribution to renewable energy at the Energy and Environment Foundation –Global Excellence Awards, 2014

- "Young Entrepreneur Award" at the AIMA Managing India Awards 2017.

He was featured in the Economic Times "40 under Forty-Celebrating Young Leaders" study conducted by Spencer Stuart in 2016.

### **Vineet Valentine Davis**

**Vineet Valentine Davis**, aged 52 years, holds a Bachelor's degree in Electrical Engineering from National Institute of Technology, Jamshedpur. He has over 28 years' of extensive experience in project development and engineering, project management, techno commercial operations, vendor management, logistics, construction and site management. He has been associated with Inox Group since 2012 and is spearheading the Company's operations team as Head Operations. He is also on the Boards of various Inox Group companies.

### **Confirmations**

As on the date of filing of this IM:

None of the Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on the BSE Limited and the National Stock Exchange of India Limited, during the last five years prior to the date of this IM during the term of their directorship in such company.

None of the Directors is or was a director of any listed company, which has been or was delisted from any recognized stock exchange(s) in India during the term of their directorship in such company.

None of our sundry debtors are related to our Directors in any manner.

None of our Directors have been or was identified as a wilful defaulter as defined under the SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company

### **Relationship between our Directors**

Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act:

Sr. No.	Name of Director	Designation	Relationship with other Director
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1	Devendra Kumar Jain	Non-Executive Director	Vivek Kumar Jain is son of Devendra Kumar Jain
2	Vivek Kumar Jain	Non-Executive Director	Vivek Kumar Jain is son of Devendra Kumar Jain
3	Devansh Jain	Additional Non-Executive Director	Devansh Jain is son of Vivek Kumar Jain

#### **Details of any arrangement or understanding with major shareholders, customers, suppliers or others**

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned Directors have been appointed on the Board or the senior management.

#### **Details of Service Contracts for providing benefits upon termination**

None of our Directors have entered into any service contracts with our Company for providing benefits upon termination of employment.

#### **Borrowing Powers of the Board**

Pursuant to the resolution passed by the Members at the Extra Ordinary General Meeting of the Company held on February 22, 2021 and in accordance with the provisions of the Companies Act and rules made there under, our Board has been authorized to borrow any sum of money from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital and free reserves of our Company, provided that the total outstanding amount so borrowed shall not exceed the limit of Rs. 1,000 Crores

#### **Remuneration of our Executive Directors**

During the Financial year 2020-2021, no Remuneration/ Compensation has been paid to our Executive Director.

#### **Compensation of Independent Directors**

As approved by the board of directors of the Company or the shareholders, the Independent Directors shall be paid remuneration in the form of sitting fees per meeting for all the Board / Committee meetings held along with travelling conveyance for attending the meeting.

#### **Shareholding of Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

The following table sets forth the shareholding of our Directors as on the date of this IM

<b>Name</b>	<b>No. of Shares</b>	<b>Shareholding %</b>
Devendra Kumar Jain	2,010	0.02%
Vivek Kumar Jain	2,010	0.02%
Devansh Jain	2,000	0.01%
<b>Total</b>	<b>5,020</b>	<b>0.05%</b>

#### **Interests of Directors**

All Independent Directors and Non-Executive Directors may be deemed to be interested to the extent of sitting fees commission payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other reimbursement of expenses payable to them.



The Directors may also be regarded as interested in the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. For the shareholding of the Directors, please see “*Shareholding of Directors in our Company*” on page 79.

All of the Directors may be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity. Except as otherwise stated in this IM, our Company has not entered into any contract, agreements or arrangements during the preceding two years preceding the date of this IM in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements, arrangements which are proposed to be made with them. Our Directors have no interest in the promotion of our Company other than in the ordinary course of business.

#### **Business interest**

Except as stated in “*Related Party Transactions*” on page 120, and to the extent of shareholding in our Company, and any dividends payable to them and other distributions in respect of the Equity Shares our Directors do not have any other interest in our business.

#### **Payment of benefits (non-salary related)**

Except as disclosed above, no amount or benefit has been paid or given within the two years preceding the date of filing of this IM or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors

#### **Loans to directors**

No loans have been availed by the Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

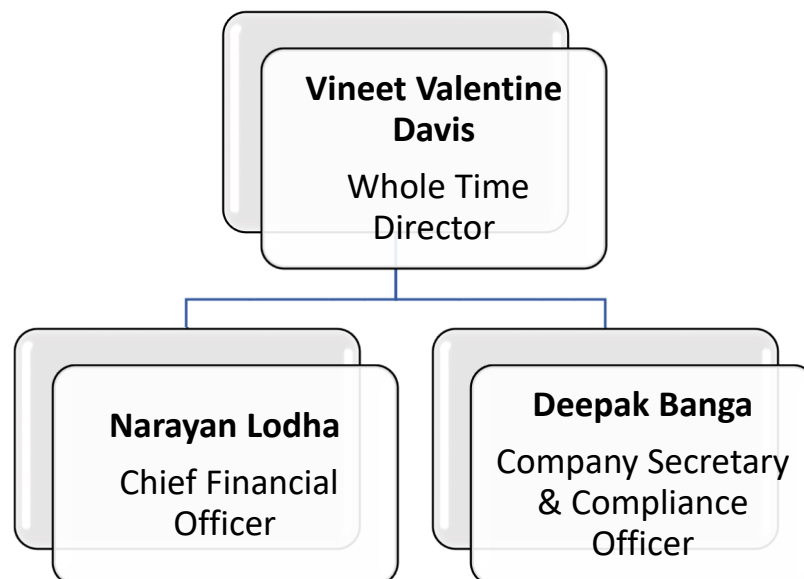
#### **Bonus or profit-sharing plan for the Directors**

Our Company does not have fixed bonus / profit sharing plan for any of the Directors.

#### **Changes in our Board of Directors in the last three years**

<b>Name of the Director</b>	<b>Date of change</b>	<b>Reason</b>
Deepak Ranjit Asher	October 13, 2020	Resignation

#### **Management Organization Structure**



### Corporate Governance

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of the SEBI Listing Regulations shall be applicable to our Company upon listing our equity shares on the Stock Exchanges pursuant to the Arrangement of the Scheme. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the SEBI Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

### Committees of our Board

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholder's Relationship Committee
- d. IWEL Committee of the Board of Directors for Operations

#### a. Audit Committee

Our Company has constituted an Audit Committee ("*Audit Committee*"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations; vide resolution passed at the meeting of the Board of Directors held on February 26, 2021.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The Committee presently comprises the following three (3) directors:

Name of the director	Designation in Committee	Nature of directorship
Shanti Prashad Jain	Chairman	Independent Director
Devansh Jain	Member	Non- Executive Director

Vanita Bhargava	Member	Independent Director
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The Company Secretary of the Company would act as the Secretary to the Audit Committee.

#### **Meeting of Audit Committee and relevant Quorum**

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of two Independent Directors present.

#### **b. Nomination and Remuneration Committee:**

Our Company has constituted Nomination and Remuneration Committee Resolution vide Board of Directors resolution dated February 26, 2021. The scope and functions of the Committee complies with requirements of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprises of following Chairman and the member.

Name of the Director	Designation in Committee	Nature of Directorship
Vanita Bhargava	Chairperson	Independent Director
Shanti Prashad Jain	Member	Independent Director
Devansh Jain	Member	Non -Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

#### **Quorum and Meetings**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

#### **c. Stakeholder's Relationship Committee**

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations by a Board Resolution dated 26<sup>th</sup> February, 2021. The Shareholder and Investor Grievance Committee comprises of:

Name of the Director	Designation in Committee	Nature of Directorship
Devansh Jain	Chairman	Non-Executive Director
Vivek Kumar Jain	Member	Non-Executive Director
Vanita Bhargava	Member	Independent Director

The Company Secretary of our Company acts as the Secretary to the Committee.

#### **Quorum and Meetings**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

**d. IWEL Committee of the Board of Directors for Operations** The IWEL Committee of the Board of Directors for Operations of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act by a board resolution dated February 26, 2021. The Management Committee comprises of:

Name of the director	Designation in Committee	Nature of directorship
Vivek Jain, Director	Chairman	Non- Executive Director
Devansh Jain	Member	Non- Executive Director
Vineet Valentine	Member	Whole Time Director Director

### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

The provisions of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 shall become applicable to our Company since the equity shares of our Company shall be listed on the Stock Exchanges pursuant to the Scheme of Arrangement.

### **Key Managerial Personnel**

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company.

#### **Vineet Valentine Davis**

**Vineet Valentine Davis**, aged 52 years, holds a Bachelor's degree in Electrical Engineering from National Institute of Technology, Jamshedpur. He has over 28 years' of experience in project development and engineering, project management, techno commercial operations, vendor management, logistics, construction and site management. He has been associated with Inox Group since 2012 and is spearheading the Company's operations team as Head Operations. He is also on the Boards of various Inox Group companies.

For details, please refer to section titled "Brief Biographies of our Directors" on page 77 of this IM

#### **Narayan Lodha**

Narayan Lodha, aged 45 years, he was appointed on February 26, 2021. He is a Fellow Member of the Institute of Chartered Accountants of India and an Associate Member of the Institute of Company Secretaries of India. He has more than 20 years of experience in the areas of Fund Raising, Financial Planning, Reporting, MIS, Budgeting & Business Strategy, Banking & Finance, Cost Controls, Taxation, Auditing and Secretarial. He was previously associated as Chief Financial Officer of large infrastructure companies like Bhilwara Energy Limited.

#### **Deepak Banga**

Deepak Banga, aged 48 years, he was appointed on February 26, 2021. He is associate Member of the Institute of Company Secretaries of India. He has more than more than 22 years of post qualification experience of performing corporate secretarial functions, corporate regulatory & statutory compliances of listed and unlisted companies and other corporate laws. He is also a law graduate from Campus Law Centre, Delhi University and qualified CPA (USA) from American Institute of Certified Public Accountant. He had earlier worked with GMR Group, Jaypee Group and other companies besides Ministry of Corporate Affairs. He has been associated with Inox Wind Limited since 2016, as Company Secretary.

### **Bonus or profit-sharing plan for the Key Managerial Personnel**

Our Company does not have fixed bonus / profit sharing plan for any of the Key Managerial Personnel.

### **Arrangement or understanding with major shareholders, customers, suppliers or others**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Key Managerial Personnel was selected as a director or member of senior management.

### Shareholding of the Key Managerial Personnel

The following table sets forth the shareholding of our KMP as on the date of this IM

Name	No. of Shares
Deepak Banga	NIL
Narayan Lodha	NIL
<b>Total</b>	NIL

### Nature of family relation between any of the Key Managerial Personnel

None of the Key Managerial Personnels are related to the Promoter or Director of our Company with the meaning of Section 2(77) of the Companies Act.

### Compensation / remuneration paid to Key Managerial Personnel during the last Financial Year i.e. 2020-21

None of our Directors / Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

### Loans taken by Director or Key Managerial Personnel

None of our Directors or Key Managerial Personnel has taken any loan from our Company.

### Interest of Key Managerial Personnel

Except as disclosed in the IM, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent reimbursement of expenses incurred by them during the ordinary course of business.

### Changes in Key Managerial Personnel in the last three years

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of KMP	Date of Change	Reason
Vineet Valentine Davis	February 26, 2021	Appointment as the Whole-Time Director
Deepak Banga	February 26, 2021	Appintment as Company Secretary and Compliance Officer
Narayan Lodha	February 26, 2021	Appointment as Chief Financial Officer

Other than the above changes, there have been no changes to the Key Managerial Personnel of our Company that are not in the normal course of employment.

### Employees' Stock Option Plan

As on date of this IM, our Company does not have any employee stock option scheme.

### Payment or Benefits to Officers / KMPs of our Company

Except as disclosed in this IM, other than statutory payments and remuneration, in the last two years our Company has not paid any non-salary amount or benefit to any of its officers / KMPs.

### Service Contracts with KMPs

Our KMPs have not entered into any contractual arrangement with our Company and employment of our KMPs is governed by the terms of appointment and policies of our Company.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company is **Inox Leasing and Finance Limited**

As on the date of this IM, our Promoter holds in aggregate 58,14,902 Equity Shares of face value ₹10 each, representing 52.93 % of the issued, subscribed and paid-up Equity Share capital of our Company.

### Details of Corporate Promoter of our Company

#### **INOX LEASING AND FINANCE LIMITED (ILFL)**

Inox Leasing and Finance Limited is an unlisted public company incorporated on February 17, 1995 under the provisions of the Companies Act 1956, registered with Registrar of Companies Mumbai, Maharashtra. The registered office of the Company is situated at 69 Jolly Maker Chambers II Nariman Point, Mumbai 400021, Maharashtra, India. The Corporate Identity No. is U65910MH1995PLC085703 and Paid-Up capital of the Company is Rs. 999,34,670.

### **Current Nature of Activities**

ILFL is a Public Limited Company engaged in the business of financial services, investments in shares, bonds and units of mutual funds and earns brokerage income on investments in mutual funds etc.

### **Change in the activity:**

There has been no change in the business of the Company since its incorporation.

### **Promoter(s) of ILFL**

Devendra Kumar Jain, Pavan Kumar Jain, Nayantara Jain, Siddharth Jain, Ishita Jain, Shreyasi Goenka, Vivek Kumar Jain, Nandita Jain, Devansh Jain, Avarna Jain, Devika Chaturvedi, Kapoorchand Jain, Hemkumari Jain, Sulakshna Badjate, Manju Jain, Inox Chemicals LLP, Siddhomal Trading LLP, Siddhapavan Trading LLP, Devansh Trade Mart LLP.

### **Shareholding Pattern of ILFL**

The Shareholding pattern of ILFL as on the date of IM is as under:

Sr. No.	Name of shareholder	No. of shares	% of total sharecapital
1	Pavan Kumar Jain	1,132,219	11.33
2	Vivek Kumar Jain	1,321,791	13.23
3	Siddharth Jain	2,342,586	23.44
4	. Devansh Jain	2,303,218	23.05
5	. Nayantara Jain	1,080,032	10.81
6	. Nandita Jain	1,031,644	10.32
7	Ishita Jain	125,000	1.25
8	D.K. Jain	69,896	0.70
9	Avarna Jain / Devansh Jain	50,000	0.50
10	Inox Chemicals LLP	46,650	0.47
11	Siddhomal Trading LLP	46,667	0.47
12	Shreyasi Goenka	42,247	0.42

13	Siddhapavan Trading LLP	24,750	0.25
14	Devansh Trademart LLP	24,500	0.25
15	Manju Jain (demat shares)	10,667	0.11
16	Devika Chaturvedi / Ambuj Chaturvedi	35,080	0.35
17	Kapoorchand Jain / Hemkumari/Rajni Mohatta	16,282	0.16
18	Kapoorchand Jain / Hemkumari/Sulakshna Badjate	16,275	0.16
19	Kapoorchand Jain / Hemkumari/Bharti Shah	4,115	0.04
20	Hemkumari / Kapoorchand Jain/Bharti Shah	12,160	0.12
21	Sulakshna Badjate / Kapoorchand Jain	10,666	0.11
<b>Total....</b>		<b>9,746,445</b>	<b>97.53</b>
<b>Public Shareholders</b>		<b>247,022</b>	<b>2.47</b>
<b>Total paid up Capital..</b>		<b>9,993,467</b>	<b>100</b>

#### **Board of Directors of ILFL**

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>Date of Appointment</b>	<b>Designation</b>
1.	Devendra Kumar Jain	July 17, 2009	Director
2.	Vivek Kumar Jain	February 17, 1995	Director
3.	Pavan Kumar Jain	February 17, 1995	Managing Director
4.	Siddharth Jain	August 26, 2003	Director
5.	Devansh Jain	December 03, 2016	Director

There has been no change in Management and control of ILFL in three years preceding the date of this IM.

#### **Change in control of ILFL:**

There has been no change in the control of ILFL during the last 3 years preceding the date of this IM.

Our Company confirms that the Permanent Account Number, Bank Account Number(s), Company Registration Number and the address of the Registrars of Companies where it is registered of our Corporate Promoter shall be submitted to the Stock Exchange(s) where the specified securities are proposed to be listed, at the time of filing the IM with them.

#### **Nature and extent of the interest, if any, of directors:**

For further details please refer Chapter “*Our Management*” on page 75

#### **Nature and extent of the interest, if any, group companies:**

For further details please refer Chapter “*Our Group Companies*” on page 89.

#### **Interest in promotion of our Company**

Our Promoter, holds 58,14,902 Equity Shares and 52.93 % Equity Shares of the Company as of the date of this IM.

Our Promoter is interested in our Company to the extent of the promotion of our Company and to the extent of its shareholding in our Company and the dividend declared and due. For further details, please refer chapters titled *“Capital Structure”* on pages 34, of this IM.

Our Promoter may also be interested to the extent of providing material guarantees for some of the loans taken by our Company and also to the extent of unsecured loans. For further details, please refer chapter titled *“Restated Financial Statement”* on page 104 of this IM.

No sum has been paid or agreed to be paid to our Promoter and our Promoter is not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

### **Interest in the properties of our Company**

Except as stated in the chapter *“Business Overview”* on page 55 of this IM and in the chapter titled *“Restated Financial Statement”* on page 104 and of our Promoter do not have any interest in the property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the IM.

### **Other Interest**

Except as mentioned in chapters titled *“Business Overview”* *“History & Corporate Structure”* and *“Restated Financial statement”* on page no 55, 69 and 104 respectively. Our Promoter is not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Further, our Promoter and members of certain Promoter Group companies and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group Companies.

### **Payment of benefits to our Promoters and Promoter Group during the last two years**

Except in the ordinary course of business and as stated in section *“Financial Statements”* on page 104 of this IM, there has been no payments or benefits to our Promoters during the last two (2) years preceding the date of filing of this IM, nor is there any intention to pay or give any benefit to our Promoters and Promoter Group as on the date of this IM.

### **Experience of our Promoter in the business of Our Company**

For details in relation to experience of our Promoter in the business of our Company, see Chapter *“Business Overview”* and *“Our Management”* on page no. 55 and 75 respectively of this IM.

### **Litigation involving our Promoters**

For details of legal and regulatory proceedings involving our Promoter, please refer chapter titled *“Outstanding Litigation and Material Developments”* on page 130 of this IM.

### **Material Guarantees by our Promoters**

Except as stated in the chapter titled *“Financial Indebtedness”* and section titled *“Financial Statements”* on page 125 and 104 of this IM, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this IM.

### **Details of Companies / Firms from which our Promoters have disassociated**

Our Promoter have not disassociated themselves from any firms or companies in the last three (3) years preceding this IM.

### **OUR PROMOTER GROUP**



a) *In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:*

Sr No.	Name of the Individuals
1.	Devendra Kumar Jain
2.	Pavan Kumar Jain
3.	Vivek Kumar Jain
4.	Siddharth Jain
5.	Devansh Jain
6.	Hem Kumari
7.	Kapoor Chand Jain
8.	Nandita Jain
9.	Nayantara Jain

b) *Companies/Entities forming part of the Promoter Group:*

Sr. No.	Name of the Entity/Company
1.	Devansh Trademart LLP
2.	Siddhapavan Trading LLP
3.	Inox Chemicals LLP
4.	Siddho Mal Trading LLP

## OUR GROUP COMPANIES

As per Regulation 2(1)(t) of the SEBI ICDR Regulations, the following are our Group Companies

*In terms of the SEBI ICDR Regulations, for the purpose of identification of “Group Companies”, our Company has considered:*

- companies (other than our Promoter(s)) with which there were related party transactions, during the period for which financial information is disclosed in this IM, as covered under Accounting Standard 18; and*
- other companies that are considered material by our Board.*

For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI ICDR Regulations, 2018 it is clarified that our promoters and subsidiaries will not be considered as Group Companies

**Based on the above definition following are the Group Companies of the Company:**

- Inox Wind Limited
- Gujarat Fluorochemicals Limited
- Inox Wind Infrastructure Services Limited

### Details of our Group Companies

#### 1. Inox Wind Limited

<b>About the Company</b>	Inox Wind Limited, incorporated under the Companies Act, 1956 on April 09, 2009 and obtained the Commencement of Business certificate on April 15, 2009. The Registered Office of the company is situated at Plot No. 1, Khasra Nos. 264 to 267 Industrial Area Village Basal Una 174303, Himachal Pradesh, India. The Corporate office of the Company is situated at Inox Towers, Plot No. 17, Sector 16A, Gautam Budh Nagar, Noida – 201301.
<b>Listed on</b>	BSE Limited and National Stock Exchange of India Limited
<b>Listing Date</b>	April 09, 2015
<b>CIN</b>	L31901HP2009PLC031083
<b>Nature of Activities</b>	To carry on business as manufacturers, exporters, importers, contractors, sub-contractors, sellers, buyers, lessors or lessee and agents for Wind Electric Generators and turbines, hydro turbines, thermal turbines, solar modules, and all types of renewable energy systems like solar, biomass, solid wastes, by-product gases and various components and parts thereof including but not limited to Rotor Blades, Braking systems, Towers, Nacelle, Control Unit, Generators, etc., and to set up Wind Farms for the Company and / or for others either singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell, distribute and supply electricity and other form of power and to provide consultancy and management services in respect of any of the above activities.

**Details as per the Audited Standalone Financial Statements.**

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2020	2019	2018
Equity Capital	22,191.82	22,191.82	22,191.82
Reserves (Excluding revaluation reserve)	1,56,248.72	1,78,890.01	1,78,757.67
Sales (Revenue from Operations)	52,767.57	1,34,548.47	21,243.49
Profit after tax	(22,711.18)	125.68	(15,716.75)
Basic and Diluted earnings per share	(10.23)	0.06	(7.08)
Net Asset Value (NAV) per share	80.41	90.61	90.55

**Details as per the Audited Consolidated Financial Statements.**

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2020	2019	2018
Equity Capital	22,191.82	22,191.82	22,191.82
Reserves (Excluding revaluation reserve)	1,46,372.21	1,74,294.84	1,78,236.20
Sales (Revenue from Operations)	76,018.50	1,43,744.33	47,983.53
Profit after tax	(27,940.07)	(3,997.91)	(18,761.84)
Basic and Diluted earnings per share	(12.59)	(1.80)	(8.45)
Net Asset Value (NAV) per share	75.96	88.54	90.32

**Highest and Lowest Market Price of Shares during the preceding 6 (six) months**

Month	High*			Low*			Average Price in Rs. per Share@	Total Volume Traded
	High	Date of High	No. of Equity Shares Traded	Low	Date of Low	No. of Equity Shares Traded		
<b>March 2021</b>	78.00	March 24, 2021	76,988	67.7	March 19, 2021	44,090	72.20	32,17,613
<b>February 2021</b>	73.30	February 11, 2021	53,694	65.3	February 03, 2021	20,792	68.54	15,79,101
<b>January 2021</b>	70.95	January 12, 2021	84,863	63.20	January 25, 2021	10,639	67.09	9,15,677
<b>December 2020</b>	65.10	December 16, 2020	1,63,482	50.00	December 08, 2020	30,306	57.48	14,40,340
<b>November 2020</b>	61.15	November 23, 2020	1,69,078	35.65	November 04, 2020	13,249	49.92	12,60,619
<b>October 2020</b>	41.90	October 08, 2020	42,092	38.30	October 30, 2020	24,497	40.11	5,41,079

(Source: [www.bseindia.com](http://www.bseindia.com) )

\*High is the highest closing price recorded for the Equity Share of the Company during the said period and Low is the lowest closing price recorded for the Equity Share of the Company during the said period.

@ Average price is arrived by dividing the aggregate of traded turnover of the Company during the period by total no. of shares traded during the period.

**2. Gujarat Fluorochemicals Limited**

<b>About the Company</b>	Gujarat Fluorochemicals Limited ("the Company"), earlier known as Inox Fluorochemicals Limited, is a public limited company
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	incorporated and domiciled in India. The Company was incorporated on 6th December 2018 as a wholly owned subsidiary of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) for the purpose of vesting of the demerged Chemical Business undertaking of GFL Limited into the Company, as a going concern. The Registered Office of the Company is situated at Survey No 16/3, 26 & 27 Taluka Ghoghamba Village Ranjitnagar, Panchmahals – 389380, Gujarat, India.
<b>Listed on</b>	BSE Limited and National Stock Exchange of India Limited
<b>Listing Date</b>	October 16, 2019
<b>CIN</b>	L24304GJ2018PLC105479
<b>Nature of Activities</b>	<ol style="list-style-type: none"> <li>1. To carry on the business of manufacture, store, process, buy, sell, distribute, market, export, import or otherwise deal in refrigerant gases of all types including refrigerant gases, their mixtures, hydrofluoric acid, by products and derivatives, fluorine products, polymers and organic and inorganic compounds and intermediates and to manufacture, assemble, fabricate, repair and maintain apparatus, equipment's, plant, machinery and devices used in manufacture, transportation, delivery and application of all kinds of gases including hydrofluoric acid, refrigerant gases, their derivatives, compounds and by-products.</li> <li>2. To carry on the business of manufacture, store, export, import, buy, sell, market, distribute or otherwise deal in all kinds of gases and their residual and by-products, intermediates, organic and inorganic chemicals and chemical products and compounds and of plant, machinery and equipment and raw materials used in the manufacture of any of the aforesaid products.</li> <li>3. To carry on in India, or elsewhere, in collaboration or otherwise, the business of manufacturers of and dealers in caustic soda, chlorine, chloromethanes, hydrochloric acids, chlorinated products and all the chemicals, chemical compounds (organic and inorganic) in all forms, and chemical products of any nature and kind whatsoever, and all by-products and joint products thereof.</li> </ol>

**Details as per the Audited Standalone Financial Statements.**

(₹ in lakhs)

Particulars	For the year ended March 31,		For the period ended March 31, 2019
	2020	2019*	
Equity Capital	1,098.50	1,098.50	1.00
Reserves (excluding revaluation reserve)	3,68,143.58	3,49,357.54	(1.25)
Sales (Revenue from Operations)	2,49,638.88	2,73,054.85	-
Profit after tax	18,994.75	1,24,617.87	(1.25)
Basic and Diluted earnings per share (In Rs.)	17.29	NA	(1.25) <sup>\$</sup>

Net Asset Value (NAV) per share (In Rs.)	336.13	NA	(0.25) <sup>\$</sup>
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*\*The financial figures represent demerged chemical business undertaking vested pursuant to the demerger scheme approved by NCLT vide order dated July 04, 2019.*

*\$Based on the Annual Report 2020*

#### Details as per the Audited Consolidated Financial Statements.

(₹ in lakhs)

Particulars	For the year ended March 31,	
	2020	2019*
Equity Capital	1,098.50	1,098.50
Reserves (excluding revaluation reserve)	3,70,462.36	3,49,921.83
Sales (revenue from Operations)	2,60,637.29	2,72,926.61
Profit after tax	18,931.47	1,24,607.50
Basic and Diluted earnings per share (In Rs.)	17.23	-
Net Asset Value (NAV) per share (In Rs.)	338.24	-

*\*in respect of the demerged chemical business undertaking vested.*

*The Company was incorporated on 6th December 2018 as a wholly owned subsidiary of GFL Limited (earlier known as Gujarat Fluorochemicals Limited) for the purpose of vesting of the demerged Chemical Business Undertaking of GFL Limited into the Company, as a going concern.*

#### Highest and Lowest Market Price of Shares during the preceding 6 (six) months

Month	High*			Low*			Average Price in Rs. per Share@	Total Volume Traded
	High	Date of High	No. of Equity Shares Traded	Low	Date of Low	No. of Equity Shares Traded		
March 2021	620.80	March 03, 2021	27,733	571.00	March 02, 2021	1,311	604.15	1,37,646
February 2021	591.75	February 08, 2021	9,363	529.05	February 22, 2021	3,519	573.00	1,11,360
January 2021	630.50	January 05, 2021	47,081	568.75	January 29, 2021	2,751	616.833	1,98,193
December 2020	599.90	December 16, 2020	15,401	552.65	December 21, 2020	8,511	586.79	1,40,941
November 2020	576.85	November 27, 2020	6,425	467.20	November 04, 2020	1,167	516.07	6,16,232
October 2020	512.30	October 21, 2020	1,561	465.35	October 28, 2020	1,716	492.29	49,199

(Source: [www.bseindia.com](http://www.bseindia.com))

*\*High is the highest closing price recorded for the Equity Share of the Company during the said period and Low is the lowest closing price recorded for the Equity Share of the Company during the said period.*

*@ Average price is arrived by dividing the aggregate of traded turnover of the Company during the period by total no. of shares traded during the period.*

### 3. Inox Wind Infrastructure Services Limited

About the Company	Inox Wind Infrastructure Services Limited was incorporated under the Companies Act, 1956 on May 11, 2012. The Registered Office
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	of the Company is situated at Survey No. 1837 & 1834 at Moje Jetalpur, ABS towers, second floor, old Padra road, Vadodara – 390007, Gujarat, India.
<b>Corporate Identification Number</b>	U45207GJ2012PLC070279
<b>Nature of Activities</b>	<ol style="list-style-type: none"> <li>1. To organise, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model on behalf of clients as well as on its own in connection with any infrastructure development like procurement and development of land, civil construction, electrical, laying of evacuation and transmission facility, erection, installation &amp; commissioning of windmills.</li> <li>2. To carry on in India or abroad the business of and as operation and maintenance of wind farms; distributing, transferring, preserving, mixing, supplying, contracting, consulting, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockist, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, merchandising, marketing, managing, maintaining, renting, servicing and dealing in all kind and type, nature and description of wind farm and wind energy and other wind farm sources, equipments and infrastructure.</li> </ol>

**Details as per the Audited Standalone Financial Statements.**

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2020	2019	2018
Equity Capital	11,621.30	5,738.95	5.00
Reserves (excluding revaluation reserve)	(6,969.31)	(5,315.47)	(3,869.23)
Sales (revenue from operations)	39,957.67	21,520.75	36,672.38
Profit after tax	(5,750.13)	(5,718.93)	(5,789.93)
Basic and Diluted earnings per share	(6.99)	(23.29)	(11,579.86)
Net Asset Value (NAV) per share	4.00	1.05	(7,728.46)

**Details as per the Audited Consolidated Financial Statements.**

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2020	2019	2018
Equity Capital	11,621.30	5,738.95	5.00
Reserves (excluding revaluation reserve)	(5,249.93)	(4,095.96)	(3,115.26)
Sales (revenue from operations)	40,104.79	20,818.32	36,781.25
Profit after tax	(5,219.17)	(5,296.80)	(5,664.32)
Basic and Diluted earnings per share	(6.34)	(21.57)	(11,328.64)
Net Asset Value (NAV) per share	5.48	2.86	(6220.52)

**Pending Litigation**

**LITIGATIONS INVOLVING OUR GROUP COMPANY:**

## **Litigations against our Group Company:**

### **Litigations involving Gujarat Fluorochemicals Limited**

**CRIMINAL: - NIL**

**CIVIL: - NIL**

### **TAXATION MATTERS:**

#### **1. *Income Tax Department vs. Gujarat Fluorochemicals Limited, Case No. 84/2013***

Income Tax Department ("**Plaintiff**") has filed civil suit before the High Court, Ahmedabad, against Gujarat Fluorochemicals Limited ("**Defendant**"). The Appellate Tribunal upheld the decision of CIT(A) deleting the addition for the amount of compensation received from multilateral fund under the terms of Montreal Protocol for reducing production of CFC gases by treating it as capital receipt instead of revenue receipt. The matter is still pending. The amount involved in this case is Rs. 1,448.40 Lakhs

#### **2. *Income Tax Department vs. Gujarat Fluorochemicals Limited, Case No. 651/2013***

Income Tax Department ("**Plaintiff**") has filed a tax appeal before the High Court, Ahmedabad, against Gujarat Fluorochemicals Limited ("**Defendant**"). The Appellate Tribunal upheld the decision of CIT(A) deleting the addition for the amount of compensation received from multilateral fund under the terms of Montreal Protocol for reducing production of CFC gases by treating it as capital receipt instead of revenue receipt. The Appeal was disposed of considering the tax effect in the appeal less than Rs. 50 Lakhs in the light of Circular no.17 of 2019 dated 08.08.2019. Since, there was an error in computation of tax effect by the Income tax department. Subsequently, Income tax department has filed application to High Court for revival of the appeal. The matter is still pending. The amount involved in this case is Rs. 609.17 Lakhs.

#### **3. *Income Tax Department vs. Gujarat Fluorochemicals Limited, Case No. 5025/2021 & 5662/2021 for A.Y.2005-06***

Income Tax Department ("**Plaintiff**") has filed a SLP (Civil) before the Supreme Court against Gujarat Fluorochemicals Limited ("**Defendant**"). The major issues involved from A.Y. 2005-06 are regarding Capital gain income treated as Business Income and disallowance under Section 14A. Order for A.Y. 2005-06 were received against which the department had filed appeal before High Court. Hon'ble High Court did not admit any grounds of appeal. Thereafter, department filed SLP before Hon'ble Supreme Court for A.Y. 2005-06. Notice for hearing will be issued and, the matter is still pending. The amount involved in this case is Rs. 648.01.

#### **4. *Income Tax Department vs. Gujarat Fluorochemicals Limited, Case No. 5083/2021 for A.Y.2006-07***

Income Tax Department ("**Plaintiff**") has filed a SLP (Civil) before the Supreme Court against Gujarat Fluorochemicals Limited ("**Defendant**"). The major issues involved from A.Y. 2006-07 are regarding taxation of Carbon credit receipts (net of expenses) whether Capital receipt not liable to tax or business income, and 14 A disallowance Slump sale of Wind business. Order for A.Y. 2006-07 were received against which the department had filed appeal before High Court. Hon'ble High Court did not admit any grounds

of appeal. Thereafter, department filed SLP before Hon'ble Supreme Court for A.Y. 2006-07. Notice for hearing will be issued and the matter is still pending. The amount involved in this case is Rs. 2194.81 Lakhs.

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**Litigations involving Inox Wind Infrastructure Services Limited:**

Sr No.	Case No./Period of Dispute	Name of the Party	Name of the Forum/Act/Legislature	Amount involved (INR in lakhs)	Brief Description of the Matter
1.	2019-20	Jay Ambe Energy Private Limited	NCLT, Ahmedabad	862.00	There were pre-existing dispute with the parties. We have filed objection to the claim. There is a civil suit filed against the same party in civil court in Gujarat.
2.	2019-20	TVSN Raju	NCLT, Ahmedabad	225.00	The matter pertains to share purchase agreement. He is not an operational creditor and has not supplied any goods or any services.
3.	2019-20	Shethia Erectors and Materials Handlers Limited	NCLT, Ahmedabad and Arbitration at Delhi	1944.00	Both proceedings are at NCLT and arbitration are based on same dispute. There are several pre-existing dispute. The same has been acknowledged by High Court and accordingly we have initiated arbitration proceedings against petitioner in Delhi before A.K.Sikri as per the



					directions of the Court. The same matter is being agitated before the NCLT.
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**Litigation involving Inox Wind Limited:**

Sr No.	Case No./Period of Dispute	Name of the Party	Name of the Forum/Act/Legislature	Amount involved (INR in lakhs)	Brief Description of the Matter
1.	457/2019	Vishal Electronics	NCLT, Chandigarh	365.00	There is pre-existing dispute with the party. Matter has not been heard being fresh case.
2.	480/2019	Eco Trans Logistics	NCLT, Chandigarh	136.00	There is pre-existing dispute with the party. Matter has not been heard being fresh case.
3.	64/2019	Nirman Consultants Private Limited	NCLT, Chandigarh	145.00	There is pre-existing dispute with the party. Case likely to be dismissed.
4.	535/2019	Hi- Tech Competent Builders Pvt. Ltd.	NCLT, Chandigarh	1280.00	There is pre-existing dispute with the party. Case likely to be dismissed.
5.	21/2020	Windar Renewable Energy Pvt. Ltd.	NCLT, Chandigarh	319.00	Matter has not been heard being fresh case.
6.	CP(IB)No. 181/2020	Shell India	NCLT, Chandigarh	119.00	Fresh case. Notice not issued
7.	2011-2016	Service Tax	High Court, Allahabad	1402.00	Hon'ble Allahabad High Court has already granted the stay on the demand.
8.	2016-2017	Central Excise	CESTAT, Delhi	1129.00	The stay is already granted by the competent authority. We hope to get relief in view of favourable CESTAT Decisions in similar matter.
9.	2014-2015	Income Tax	CIT Appeals, Palampur, Himachal	4014.00	The stay is already granted.
10.	2019-2020	Sri Balaji Textiles	Arbitration Proceedings at Mumbai	2894.00	This is a retail party making superfluous

		(Atul Ganatra)			claims of liquidated damages against a purchase of Rs. 1200 Lakhs. We have filed appeal against the parties.
11.	2016-2017	Elecon Engineering Company Limited	High Court of Himachal Pradesh at Shimla	184.00	As suggested by court settlement is going on.
12.	2019-2020	SM Autostar	High Court, Chandigarh	593.00	The party is not MSME and MSME Court made mistake in passing the order. Writ preferred against the MSME award and court has stayed the order.
13.	2018-2019	GRI Power	Civil Court, Kolhapur	167.00	IWL has filed an application stating that the court has no jurisdiction for trial of this case and moreover there is dispute regarding supply to the tower.
14.	2019-2020	Surbhi Textile Mills Pvt. Ltd.	Small Cause Court, Ahmedabad	1400.00	Issues pertaining to 220 KV line (permanent connectivity) were on account of lack of forest clearance/ ROW issues (Force Majeure). The party has claimed exaggerated amount pertaining to generation losses, lost carbon credit contrary to the contractual terms. The claim has been highly inflated and magnified beyond reasonable proportion.
15.	2019-2020	SJP Constructions Pvt. Ltd.	Small Cause Court, Ahmedabad	1988.00	Issues pertaining to 220 KV line (permanent connectivity) were on account of lack of forest clearance/ ROW issues

					(Force Majeure). The party has claimed exaggerated amount pertaining to generation losses, lost carbon credit contrary to the contractual terms. The claim has been highly inflated and magnified beyond reasonable proportion.
16.	2018-2019	Jasdan Energy Pvt. Limited	Arbitration Proceedings at New Delhi	1821.00	Case is for operations and management of 18 WTG's. Jasdan has not made payment for under O&M agreement. During arbitration proceeding we have already managed to get Rs 300 Lakhs various interim awards.

#### **Litigations by our Group Company:**

#### **CRIMINAL MATTERS:**

##### ***1. Gujarat Fluorochemicals Limited vs. M/s. Max-Tech Oil & Gas Services Private Limited, Case No. 19031/17***

Our Company has filed a criminal complaint before the Judicial Magistrate Court, Vadodara under Section 138 of the Negotiable Instruments Act, 1881 against M/s. Max-Tech Oil & Gas Services Private Limited ("**Accused**") on account of dishonor of cheque given by the party for their settlement of their outstanding dues arising on account of business transactions. The amount involved is of ₹. 7,00,00,000 The plea application filed by the accused is rejected, hence matter is presently pending.

##### ***2. Gujarat Fluorochemicals Limited vs. M/s. Max-Tech Oil & Gas Services Private Limited, Case No. 19032/17***

Our Company has filed a criminal complaint before the Judicial Magistrate Court, Vadodara t under Section 138 of the Negotiable Instruments Act, 1881 against M/s. Max-Tech Oil & Gas Services Private Limited ("**Accused**") on account of dishonor of cheque given by the party for their settlement of their outstanding dues arising on account of business transactions. The amount involved is of ₹. 3,33,00,628 The plea application filed by the accused is rejected, hence matter is presently pending.

#### **CIVIL MATTERS:**

##### ***1. Gujarat Fluorochemicals Limited vs. M/s. Leel Electricals Limited, Case No. 294/19***

Our Company has filed a suit before the **Commercial Court at Vadodara** under the provisions of Order 37, of the CPC, 1908 against M/s. Leel Electricals Limited ("**Defendant**") on account of recovery of the outstanding amount against sales of refrigerant gases. The amount involved is of ₹. 1,35,83,432. The service of notice is being served and hence, case matter is presently pending.

#### **OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

NIL

**Information regarding significant adverse factors related to the group companies and in particular regarding:**

- **Whether the Company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up/insolvency proceedings**

None of the Group Companies has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up/insolvency proceedings;

- **whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years**

The Following Companies are Group Companies that have made a loss in immediately preceding three years:

(₹ in Lakhs)

Name of Group Company	Profit or (Loss)		
	2019-2020	2018-2019	2017-2018
Inox Wind Limited	(22,711.18)	125.68	(15,716.75)
Inox Wind Infrastructure Services Limited	(5,750.13)	(5,718.93)	(5,789.93)

*Note: Audited Standalone Financials are considered.*

None of the group companies had remained defunct and for which application was made to the Registrar of Companies for striking off the name of the company, during the five years preceding the date of filing IM.

**I. Nature and Extent of Interest of Group Companies**

**a. In Promotion of our Company**

Except as stated in the chapter “Restated Financial Statements” on page 104, none of our group companies any interest in the promotion of our Company.

**b. In the properties acquired or proposed to be acquired by our Company in the past three years prior to filing this IM**

Except as stated in the chapter “Restated Financial Statements” on page 104, none of our group companies are interested in the properties acquired or proposed to be acquired by our Company in the past three years prior to filing this IM.

**c. In transactions for acquisition of land, construction of building and supply of machinery**

Except as stated in the chapter “Restated Financial Statements” on page 104, none of our group companies are interested in any transaction for the acquisition of land, construction of building and supply of machinery.

**II. Common Pursuits between our Group Companies and our Company**

Our Group Companies (Inox Wind Limited and Inox Wind Infrastructure Services Limited) are engaged in the similar line of business activity as of our Company.

**III. Related business transactions within the Group Companies and significance on the financial performance of our Company**

For more details on Related Business Transaction within the Group Companies and significance on the financial performance of our Company, please refer chapter titled “*Restated Financial Statement*” on page 104 of this IM.

**IV. *Business Interests amongst our Company and Group Company /Associate Company:***

Other than the transactions discussed in section titled “*Financial Statements*” on page 104 of this IM, there are no other related business transactions between the Company and Group Company.

## DIVIDEND POLICY

As on the date of this IM, our Company has adopted the Dividend Distribution Policy in the Board Meeting dated February 26, 2021. The declaration and payment of dividend on our Equity Shares, if any, may be recommended by the Board of Directors and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable laws, including the Companies Act, 2013.

The dividend, if any, will depend on number of factors, including but not limited to our results of operations, earnings, capital requirements and surplus, financial conditions, contractual obligations, business prospects, applicable legal restrictions and other factors considered relevant by the Board. Our Board may declare interim dividend in accordance with provisions of the Companies Act and Articles of Association of the Company.

Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.

Following is the dividend policy adopted by our Company:

### 1. Preface

The Board of Directors ("Board") of Inox Wind Energy Limited ("Company") has adopted this Dividend Distribution Policy ("Policy") in terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This Policy will regulate the process of declaration of Dividend as per the provisions of the Companies Act, 2013 ("Act") read with the relevant Rules made thereunder and also the internal policy of the Company for utilization of retained earnings for future growth of the Company.

### 2. Objective of the Policy

The objective of this Policy is to define the procedure, parameters and the factors which the Board may consider at the time of taking the decision for declaration of Interim Dividend or recommendation of Final Dividend and to maintain a balance between appropriately rewarding its Members with cash Dividend and the amount of Profit to be retained for the further growth of the Company.

Any deviation from this Policy, when deemed necessary in the interests of the Company, along with the rationale for such deviation, will be disclosed in the Annual Report by the Board.

### 3. Definitions

**"Act"** means The Companies Act, 2013.

**"Articles of Association"** means Articles of Association of the Company.

**"Board"** means the Board of Directors of the Company. **"Company"** means Inox Wind Energy Limited ("IWEL"). **"Dividend"** includes Interim and Final Dividend.

**"Financial Year"** means the period starting on 1<sup>st</sup> day of April and ending on the 31<sup>st</sup> day of March every year in respect whereof Financial Statements of the Company are made up.

**"Financial Statements"** include:

- (i) Balance Sheet as at the end of the Financial Year;
- (ii) Profit and Loss Account for the Financial Year;
- (iii) Cash Flow Statement for the Financial Year;

**"Free Reserves"** means such Reserves which, as per the latest audited Balance Sheet of the Company, are available for distribution as Dividend.

**"Member"** in relation to a Company means every person holding shares of the Company and whose name is entered as a Beneficial Owner in the records of a Depository.

**“Paid-up Share Capital” or “Share Capital Paid-up”** means such aggregate amount of money credited as paid-up in respect of shares of the Company.

**“Profit”** means Profit for the Financial Year arrived at after providing for Depreciation in accordance with Schedule II to the Act.

**“Rules”** mean The Companies (Declaration and Payment of Dividend) Rules, 2014.

**“Share”** means a share in the Share Capital of the Company.

#### **4. Category of Dividend**

**The Act provides for two categories of Dividend viz. Interim and Final.**

##### **a) Interim Dividend**

The Interim Dividend can be declared by the Board one or more times during any Financial Year at its complete discretion in line with this Policy.

##### **Process for approval of Payment of Interim Dividend**

The Board may declare and pay Interim Dividend for any Financial Year in line with this Policy, out of surplus in the Profit and Loss Account and out of Profits of the Financial Year based on its quarterly or half yearly Standalone Financial Statements for the period for which such Interim Dividend is sought to be declared.

##### **b) Final Dividend**

The Board may recommend Final Dividend for any Financial Year out of surplus in the Profit and Loss Account of the Financial Year based on its Annual Standalone Financial Statements to be approved by the Members at its General Meeting. The Final Dividend can be paid after approval of the Members at the General Meeting.

##### **Process for approval of Payment of Final Dividend**

The Board may recommend Final Dividend for any Financial Year in line with this Policy, out of the Profits for the Financial Year arrived at after providing for depreciation in accordance with Schedule II to the Act or out of Profit of any previous Financial Year/s after providing for depreciation in accordance with Schedule II to the Act and remaining undistributed or out of both.

#### **5. Circumstances under which the Members of the Company may or may not expect Dividend**

Members may expect Dividend in case the Company has adequate Profit for distribution of Dividend and the Dividend is recommended or declared by the Board in terms of this Policy.

Members may not expect Dividend under following circumstances:

The Company has no Profit or inadequate Profit;

The Company has Profit but the Board decides to retain its Profit for future growth.

#### **6. Factors and Parameters to be considered by the Board**

The decision of the Board regarding recommendation and /or declaration of Dividend is a crucial one as it determines the amount of Profit to be distributed amongst the Members and the amount of Profit to be retained for its future growth. However, the Board will take this decision based on the following factors and financial parameters:

##### **Internal Factors**

- Profits available during any Financial Year;
- Present and future capital requirements of the Company;
- Long term strategies of the Group and its capital requirements;
- Covenants and restriction, if any, in the agreements with the lenders of the Company from time to time;
- Brand / Business acquisition prospects being considered or likely to be considered;
- Capital expenditure planned or likely to be planned for its existing businesses;
- Board’s opinion about sustainability of the Profit of the Company;

- Any other factor as deemed fit by the Board.

#### **External Factors**

- Any adverse Economic situations in the Country and across the Globe;
- Capital Market Legislation;
- Money market conditions;
- Changes in Tax Laws from time to time;
- Changes in Government Policies;
- Changes and outlook in market, prices, demand and supply position of the principal products of the Company.

#### **Financial Parameters**

- Profit earned during the Financial Year, and expected to be earned in the foreseeable future;
- Overall financial condition of the Company and its cash flow position;
- Estimated volatility of future earnings;
- The cost of fund raised externally.

#### **7. Dividend Pay-out**

The Company will endeavor to distribute appropriate level of its Profits earned out of its business activities in form of Dividend to its Members after taking into account, the factors and financial parameters enumerated in this Policy. However, all efforts will be made to maintain a Dividend Pay-out as per the historic trends of the Company.

#### **8. Retained Earnings Utilization**

Considering the factors and financial parameters above, the Board may at its discretion choose to retain Profits of the Company to be used for:

- Company's Investment needs for future growth;
- Building of Net Worth of the Company by creating Reserves;
- Issue of Bonus Shares; or
- Future Dividend pay-outs.

#### **9. This Policy shall not apply to:**

- Determination and declaring Dividend on Preference shares, if any, as the same will be as per the terms approved by the Shareholders at the time of Issue of Preference Shares.
- Utilization of Profits of the Company for Issue of Bonus Shares to the Shareholders of the Company.
- Distribution of cash for the Buyback of Equity shares of the Company.

#### **10. Provisions in regard to various class of shares**

The Company has presently only one class of shares i.e. Equity Shares. If and when the Company issues any other class of shares, this Policy will be modified accordingly.

#### **11. Communication of this Policy**

This Policy shall be posted on the website of the Company and published in the Annual Report of the Company as required under the Listing Regulations.

#### **12. Amendment**

The Board shall have the right to amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. However, in case of any change in the Policy, such changes along with the rationale for the same shall be disclosed in the Annual Report of the Company and the same shall also be put up on the Company's website.



## **SECTION V – FINANCIAL INFORMATION**

### **RESTATED FINANCIAL STATEMENTS**

#### **Auditors' Report**

#### **TO THE BOARD OF DIRECTORS OF INOX WIND ENERGY LIMITED**

1. This report is being issued at requested by the Board of Directors of the Company. We have examined the attached Restated Balance Sheet of Inox Wind Energy Limited ("the Company") and the Restated Statement of Changes in Equity as at 31<sup>st</sup> December, 2020, the Restated Statement of Profit and Loss (including Other Comprehensive Income), and the Restated Statement of Cash Flows for the period 6th March 2020 to 31st December 2020 annexed thereto ("the Restated Financial Statement"). These restated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these restated financial statements based on our examination. These restated financial statements are prepared for limited purpose for filling Information Memorandum with stock exchanges and this to be read with Note 2.2 and other notes thereon.

#### **Management's Responsibility**

2. The preparation of the accompanying Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The management is also responsible for ensuring that the Company complies with the requirements of the Equity Listing Agreement (where applicable) and for providing all relevant information to the Securities and Exchange Board of India/Stock Exchanges.

#### **Auditors Responsibility for Special Purpose Audit Report**

4. Our examination was not planned and performed in connection with any transaction to identify matters that may be of potential interest to third parties.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.
6. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to therein.

#### **Basis of Opinion**

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India and Standard on Auditing specified u/s 143(10) of the Act which includes the concept of test check and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

## **Opinion**

8. Based on our examination as above, and in accordance with the information and explanations given and representations provided to us by the management of the Company, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our examination.
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
9. In our opinion and to the best of our information and according to the explanations given to us and the said accounts, read with the Significant Accounting Policies and the Notes to Accounts, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In the case of the restated figures of Balance Sheet, of the state of affairs as at 31<sup>st</sup> December, 2020;
  - b. In the case of the Statement of Profit and Loss, of the restated loss for the period ended 31<sup>st</sup> December, 2020;
  - c. In the case of the restated Cash Flow Statements for the period ended 31<sup>st</sup> December, 2020; and
  - d. In the case of restated Statement of Changes in Equity as at 31<sup>st</sup> December, 2020.

## **Restriction on Use**

10. Our report is intended solely for use of the Management and for inclusion in the Information Memorandum in connection with the proposed listing of equity shares of the company with stock exchanges in India. Our report should not be used, referred to or distributed for any other purpose without our written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

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

Sd/-

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAAACS6065

Place: New Delhi  
Date: 22<sup>nd</sup> January 2021

## **1. Company information**

Inox Wind Energy Limited incorporated on 6<sup>th</sup> March 2020 under the Companies Act, 2013 and is proposed to engage in the business of generation and sale of wind energy and providing services for Erection, Procurement and Commissioning (EPC) of wind farms. The Company is a subsidiary of GFL Limited (Earlier known as Gujarat Fluorochemicals Limited) and its ultimate holding company is Inox Leasing and Finance Limited. All the activities of the Company are in India.

The registered office of the Company is situated at ABS Tower, 3<sup>rd</sup> Floor, Old Padra Road, Vadodara, Gujarat.

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

### **2.1 Statement of Compliance**

These Audited Restated Financial Statements of the Company 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 Purpose and Basis of Preparation**

These Audited Restated Financial Statements comprise the Audited Restated Balance Sheet as at 31st December 2020, the Audited Restated Profit and Loss, the Audited Restated Cash Flow Statement for the period then ended, and a summary of Significant Accounting Policies and other explanatory notes (collectively the “Restated Financial Statements”). These Restated Financial Statements have been prepared by the Company for the purpose of for inclusion in the Information Memorandum (IM) in connection with the proposed listing of equity shares of the company with stock exchange in India.

### **2.3 Basis of Measurement**

These restated 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. Restated Financial statements are the first financial statements of the company and prepared for the period from 6<sup>th</sup> March 2020 (i.e. Incorporate Date) to 31<sup>st</sup> December 2020.

These restated 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 restated financial statements is determined on such a basis.

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.

## **2.4 Basis of Preparation and Presentation**

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

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

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

## **3. Significant Accounting Policies**

### **3.1 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.

### **3.2 Taxation**

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

#### **3.2.1 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 restated 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.

#### **3.2.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated 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.

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.

### 3.2.3 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.

## 3.3 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.

### **3.4 Financial instruments**

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

#### **A] Financial assets**

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

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the restated 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 and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

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

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

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

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

The Company does not have any financial assets in this category.

**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 restated Statement of Profit and Loss.

**d) 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.

**e) Impairment of financial assets:**

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

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

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

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

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

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the restated 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 member 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 are 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.

### **c) Derecognition of financial liabilities:**

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

## **3.5 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 32.

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 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 and is included in line item 'Loss on foreign currency translation and transactions'.

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

### **3.6 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.

### **3.7 Business Combinations**

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

## **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.

The Company has not commenced its commercial operations upto 31 December 2020 and hence there are no significant judgements or estimates required to be made during the period.

**Restated Balance Sheet as at 31 December 2020**

(₹ lakhs)

Particulars	Note No.	As at 31 December 2020
<b>ASSETS</b>		
<b>Current assets</b>		
(a) Financial assets		
(i) Cash and cash equivalents	5	1.00
(ii) Other Financial Assets	6	0.20
(b) Other current assets	7	0.37
<b>Sub-total</b>		<b>1.57</b>
<b>Total Assets</b>		<b>1.57</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity share capital	8	1.00
(b) Other equity	9	(2.65)
<b>Total Equity</b>		<b>(1.65)</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
a) Financial liabilities		
(i) Borrowings	10	1.83
(ii) Other financial liabilities	11	1.36
(b) Other Current liabilities	12	0.03
<b>Total current liabilities</b>		<b>3.22</b>
<b>Total Equity and Liabilities</b>		<b>1.57</b>

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

As per our report of even date attached

For and on behalf of the Board of Directors

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

**For Inox Wind Energy Limited**

Chartered Accountants

Firm Reg. No.: 000472N

**Sandeep Dahiya**

Partner

Membership No. 505371

UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**

Director

DIN:00029782

**Vivek Kumar Jain**

Director

DIN:00029968

Place: New Delhi

Date: 22.01.2021

Place: New Delhi

Date: 22.01.2021

# Restated Statement of Profit and Loss for the period ended 31 December 2020

(₹ in Lakhs)

Particulars	Note No.	Period ended 31 December 2020
Revenue from operations		-
<b>Total Income</b>		-
<b>Expenses</b>		
Other expenses	13	2.65
<b>Total expenses</b>		<b>2.65</b>
<b>Loss before tax</b>		<b>(2.65)</b>
Tax expense		-
<b>Loss for the period</b>		<b>(2.65)</b>
<b>Other comprehensive income</b>		-
<b>Total comprehensive income for the period</b>		<b>(2.65)</b>
<b>Basic and Diluted loss per equity share of Rs. 1 each (In Rs.)</b>	23	<b>(3.21)</b>

The accompanying notes are an integral part of the restated financial statements.

As per our report of even date attached  
**For Dewan P. N. Chopra & Co**  
Chartered Accountants  
Firm Reg. No.: 000472N

For and on behalf of the Board of Directors  
**For Inox Wind Energy Limited**

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**  
Director  
DIN:00029782

**Vivek Kumar Jain**  
Director  
DIN:00029968

Place: New Delhi  
Date: 22.01.2021

Place: New Delhi  
Date: 22.01.2021

# Restated Statement of Cash Flows for the period ended 31 December 2020

(₹ in Lakhs)

Particulars	Period ended 31 December 2020
<b>Cash flows from operating activities</b>	
Loss for the period	(2.65)
<b>Operating loss before working capital changes</b>	<b>(2.65)</b>
<b>Movements in working capital:</b>	
Other current assets	(0.37)
Other financial assets	(0.20)
Other current Liabilities	0.03
Other financial liabilities	1.36
<b>Cash used in operating activities</b>	<b>(1.83)</b>
Income taxes paid	-
<b>Net cash used in operating activities</b>	<b>(1.83)</b>
<b>Cash flows from financing activities</b>	
Inter-corporate deposit received	1.83
Shares issued during the period	1.00
<b>Net cash generated from financing activities</b>	<b>2.83</b>
<b>Net increase in cash and cash equivalents</b>	<b>1.00</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1.00</b>

## Notes:

1. The above statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per note 5
3. The accompanying notes are an integral part of the restated financial statements.

As per our report of even date attached  
**For Dewan P. N. Chopra & Co**  
Chartered Accountants  
Firm Reg. No.: 000472N

For and on behalf of the Board of Directors  
**For Inox Wind Energy Limited**

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**   **Vivek Kumar Jain**  
Director   Director  
DIN:00029782   DIN:00029968

Place: New Delhi  
Date: 22.01.2021

Place: New Delhi  
Date: 22.01.2021

**A: Equity Share Capital***(₹ in Lakhs)*

Particulars	
Changes in equity share capital during the period	1.00
<b>Balance as at 31 December 2020</b>	<b>1.00</b>

**B: Other Equity***(₹. in Lakhs)*

Particulars	Retained Earnings
Loss for the period	(2.65)
Total comprehensive income for the period	(2.65)
<b>Balance as at 31 December 2020</b>	<b>(2.65)</b>

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

As per our report of even date attached

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

Chartered Accountants

Firm Reg. No.: 000472N

For and on behalf of the Board of Directors

**For Inox Wind Energy Limited**

**Sandeep Dahiya**

Partner

Membership No. 505371

UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**

Director

DIN:00029782

**Vivek Kumar Jain**

Director

DIN:00029968

Place: New Delhi

Date: 22.01.2021

Place: New Delhi

Date: 22.01.2021

## 5: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 December 2020
<b>Balances with banks</b>	
In current account	1.00
<b>Total</b>	<b>1.00</b>

## 6: Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31 December 2020
Security Deposit	0.20
<b>Total</b>	<b>0.20</b>

## 7: Other Current assets

(₹ in Lakhs)

Particulars	As at 31 December 2020
<b>Balances with government authorities</b>	
- Balances in Service tax, VAT & GST accounts	0.31
Prepaid Expenses	0.06
<b>Total</b>	<b>0.37</b>

## 8: Equity share capital

(₹ in Lakhs)

Particulars	As at 31 December 2020
<b>Authorised capital</b>	
1,00,000 equity shares of Rs. 1 each	1.00
<b>Issued, subscribed and paid up</b>	
1,00,000 equity shares of Rs. 1 each fully paid up	1.00
	<b>1.00</b>

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

Particulars	As at 31 December 2020	
	No. of shares	Rs. (in Lakhs)
Shares outstanding at the beginning of the period	-	-
Shares issued during the period	100,000	1.00

Shares outstanding at the end of the period	100,000	1.00
---	---------	------

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

The Company has only one class of equity shares having par value of Rs. 1 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 December 2020	
	No. of shares	Rs. (in Lakhs)
GFL Limited (*)	100,000	1.00

**(d) Details of shareholders holding more than 5% shares in the Company:**

Name of shareholder	As at 31 December 2020	
	No. of shares	Holding (%)
GFL Limited (*)	100,000	100%

(\*) Including shares held through nominee shareholders.

**Retained earnings**

Particulars	As at 31 December 2020
Balance at beginning of period	-
Loss for the period	(2.65)
<b>Balance at the end of the period</b>	<b>(2.65)</b>

**Nature & Purpose of Reserves:**

Retained Earning: Retained Earnings are the profits of the company earned till date less transfer to General Reserve, if any.

**10: Current borrowings**

(₹. in Lakh)

Particulars	As at 31 December 2020
<b>Unsecured</b>	
Inter-corporate Deposits from holding company	1.83
<b>Total</b>	<b>1.83</b>



**11: Other financial liabilities***(₹ in Lakhs)*

Particulars	As at 31 December 2020
Expenses payable	1.10
Audit Fee Payable	0.26
<b>Total</b>	<b>1.36</b>

**12: Other Current liabilities***(₹ in Lakhs)*

Particulars	As at 31 December 2020
TDS payable	0.03
<b>Total</b>	<b>0.03</b>

**13: Other expenses***(₹ in Lakhs)*

Particulars	Period ended 31 December 2020
Audit Fee	0.26
Consultancy Charges	0.47
Legal and professional fees and other expenses	1.38
Rent Office	0.54
<b>Total</b>	<b>2.65</b>

**14: Payment to Auditors:***(₹ in Lakhs)*

Particulars	Period ended 31 December 2020
Statutory Audit	0.26
Other matter	0.31
<b>Total</b>	<b>0.57</b>

Note: The above amount is exclusive of GST.

**15: Related party transactions****(i) Where control exists:**

GFL Limited [earlier known as Gujarat Fluorochemicals Limited] - holding company

Inox Leasing and Finance Limited - ultimate holding company

**(ii) Other related parties with whom there are transactions during the period****Key Management Personnel (KMP)**

**Shanti Prashad Jain - Director**

**Devendra Kumar Jain – Director**

**Vivek Kumar Jain – Director**

**Vanita Bhargava – Director**

**Fellow Subsidiaries**

Inox Wind Limited - Subsidiary of GFL Limited [earlier known as Gujarat Fluorochemicals Limited]

Inox Wind Infrastructure Services Limited - Subsidiary of Inox Wind Limited

Gujarat Fluorochemicals Limited [earlier known as Inox Fluorochemicals Limited]

- Subsidiary of Inox Leasing and Finance Limited

**(ii) Particulars of transactions**

(₹. in Lakhs)

Particulars	With parties where control exists	Total
A) Transactions during the period	Period ended 31 December 2020	Period ended 31 December 2020
Share issued		
GFL Limited	1.00	1.00
Inter-corporate deposit received		
GFL Limited	1.83	1.83
Rent Paid		
Gujarat Fluorochemicals Limited	0.54	0.54

**15: Related party transactions - continued**

(₹ in Lakhs)

Particulars	With parties where control exists	Total
B) Balances at the end of the period	As at 31 December 2020	As at 31 December 2020
Amounts payable		
Other payables:		
GFL Limited	1.83	1.83
Gujarat Fluorochemicals Limited	0.64	0.64

**Notes:**

(a) Amounts outstanding are unsecured and will be settled in cash.

(b) There have been no guarantees, received or provided, for any related party receivables or payables.

**16:** There is no amount due to "Micro or Small Enterprises" under Micro, Small and Medium Enterprises Development Act, 2006. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been

identified on the basis of information available with the Company. Further no interest is paid/payable to in terms of section 16 of the said Act.

#### **17: Exempted Lease Arrangements:**

Leasing arrangement in respect of exempted lease for office premises:

The Company's lease agreement is for a period of 11 months. The aggregate lease rentals are charged as 'Rent' in Note 13: Other expenses in the Statement of Profit and Loss.

#### **18: Employee Benefit**

The Company does not have any employee hence the Company is not under any obligation to incur employee benefit related expenses.

#### **19: Event after reporting period**

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

#### **20: Financial Instruments**

The Company is yet to commence its commercial operations and accordingly the financial instruments held by the Company are not significant.

##### **(i) Categories of financial instruments**

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31 December 2020</b>
<b>Financial assets</b>	
<b>Measured at amortised cost</b>	
(i) Cash and bank balances	1.00
(ii) Other Financial Assets	0.20
<b>Financial liabilities</b>	
<b>Measured at amortised cost</b>	
(i) Borrowings	1.83
(ii) Other financial liabilities	1.36
	<b>3.19</b>

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

##### **(ii) Financial risk management**

The Company is yet to commence its commercial operations. Its financial liabilities comprise of borrowings from its holding company & other payables. The main purpose of these financial liabilities is to finance the Company's present activities. The Company's financial assets comprise of bank balances and security Deposits.

The financial assets and liabilities of the Company are not exposed to changes in foreign currency exchange risk, interest rate and other price risk. Further, there is no credit risk as the financial assets comprise only of bank balance with reputed bank.

## 20: Financial Instruments - continued

### (iii) Market Risk

Market risk is the risk that future cash flows will fluctuate due to changes in market prices i.e. interest rate risk and price risk.

#### (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 not exposed to interest rate risk because it has no borrowings on variable rate of interest.

#### (b) 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.

#### (iv) Liquidity risk management

The Company manages its liquidity by financial support of holding company.

The following table details the remaining contractual maturity for its financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹. in lakhs)

Particulars	Upto 1 year	1-3 years	3-5 years	5+ years	Total contractual cash flows
<b>As at 31 December 2020</b>					
Borrowings	1.83				1.83
Other financial liabilities	1.36	-	-	-	1.36
<b>Total</b>	<b>3.19</b>	-	-	-	<b>3.19</b>

Other financial liabilities of the Company will be repaid with the support of the holding company and cash and bank balances.

#### (v) Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statement are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different than the values that be eventually received or paid.

## 21: Capital Management

The Company is wholly owned by its parent company and it does not have any borrowings and is not subject to any externally imposed capital requirements.

## 22: Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	Period ended 31 December 2020
Current tax	Nil
Deferred tax	Nil
<b>Total income tax expense recognised in the current period</b>	<b>Nil</b>

a. The income tax expense for the period can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Period ended 31 December 2020
Loss before tax	(2.65)
Income tax using the Company's domestic tax rate @ 25.168%	(0.67)
Effect of non-deductible expenses	0.67
<b>Income tax expense recognised in profit or loss</b>	<b>-</b>

The tax rate used for the Period ended 31 December 2020 is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

### 23. Earnings per share:

Particulars	Period ended 31 December 2020
Net loss attributable to equity shareholders (₹. in lakhs)	(2.65)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos)	82,466
Nominal value of equity share (Rs.)	1
Basic and diluted loss per equity share (Rs)	(3.21)

As per our report of even date attached

For and on behalf of the Board of Directors

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

**For Inox Wind Energy Limited**

**Sandeep Dahiya**  
Partner  
Membership No. 505371  
UDIN: 21505371AAAACS6065

**Devendra Kumar Jain**  
Director  
DIN:00029782

**Vivek Kumar Jain**  
Director  
DIN:00029968

Place: New Delhi  
Date: 22.01.2021

Place: New Delhi  
Date: 22.01.2021

## **FINANCIAL INDEBTEDNESS**

As on date of this IM, our Company do not have any secured or unsecured financial facilities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended December 31, 2020. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Restated Financial Statements" on page no 104 of this IM. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "*Risk Factors*" on page no 16 of this IM. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the section entitled "*Forward-Looking Statements*" on page 08 of this IM. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Inox Wind Energy Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "*Restated Financial Statement*" for the period ended December 31, 2020 included in this IM beginning on page no. 104 of this IM.

### Business Overview

Our Company is incorporated as an unlisted public company as Inox Wind Energy Limited under the provisions of Companies Act, 2013 in Vadodara, Gujarat, India vide Certificate of Incorporation dated March 06, 2020.

Our Company was incorporated as a Wholly Owned Subsidiary of GFL Limited. IWEL is incorporated with the objective of engaging in business of generation and sale of wind energy, providing services for Erection, Procurement and Commissioning (EPC) of wind farms and holding strategic business interest in Renewables. With the view to support the wind energy business and expand new synergies, the Board of Directors of GFL Limited on March 13, 2020; Inox Wind Energy Limited on March 13, 2020 and Inox Renewables Limited on March 13, 2020 have approved a Composite Scheme of Arrangement which envisaged following:

- C. Amalgamation of Inox Renewables Limited, Wholly-owned subsidiary with GFL Limited; and
- D. Demerger of the Renewable Energy Business (Demerged Undertaking more particularly defined in Scheme) of GFL Limited into Inox Wind Energy Limited on a going concern basis and for matters consequential, supplemental and/or otherwise integrally connected therewith.

The Scheme was sanctioned by NCLT, Ahmedabad Bench vide order dated January 25, 2021 and Part A and Part B were effective with the appointed date being, April 01, 2020 and July 01, 2020 respectively.

Post effective of the Scheme, Demerged Undertaking of GFL, which includes business of generation and sale of wind energy, providing services for EPC and operation & maintenance of wind farms, manufacturing of wind turbine generators, including parts and components thereof, holding strategic

interest in such businesses and such similar activities have been vested in our Company from the Appointed Date 01 July, 2020.

**Significant developments subsequent to the last financial year:**

With the view to support the wind energy business and expand new synergies, the Board of Directors of GFL Limited on March 13, 2020; Inox Wind Energy Limited on March 13, 2020 and Inox Renewables Limited on March 13, 2020 have approved a Composite Scheme of Arrangement. For more details on the Scheme, please refer page no. 73 of this IM.

**Discussion on Results of Operation:**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the period ended December 31, 2021.

**Key factors affecting the results of operation:**

Our Company's future results of operations could be affected potentially by the following factors:

- World Economy;
- Competition from existing players;
- Company's ability to successfully implement strategy;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Other external factors.

**OUR SIGNIFICANT ACCOUNTING POLICIES**

- For Significant accounting policies please refer Section titled "*Restated Financial Statements*" beginning on page no. 104 of this IM.

**Discussion on Results of Operation: (Standalone Financial Statements)**

- The following discussion on results of operations should be read in conjunction with the Restated Financial Results of our Company for the for the period ended December 31, 2020.

**OVERVIEW OF REVENUE AND EXPENDITURE**

**REVENUE**

***Revenue of operations***

Our Company was incorporated on March 06, 2020, we did not generate any income from operations. However, pursuant to the Scheme becoming effective, the business of the Dmerged Company vested into our Company may generate revenue from operations.

**EXPENDITURE**

Our total expenditure primarily consists of other expenses such as Audit Fees, Consultancy charges, Legal and Professional fees and other expenses and Office Rent.

**Employment Benefit Expenses**

It includes Salaries and allowances, staff welfare expenses and director's remuneration.



## **Other Expenses**

It includes product advertisement and sales promotion activity, office expenses, printing and stationery, travelling expenses and miscellaneous expenses. The other expenses for the period ended December 31, 2020 was Rs. 2.65 Lakhs

## **Profit/(Loss) Before Tax**

Our Profit/(Loss) Before Tax was Rs. (2.65) Lakhs for the period ended December 31, 2020.

## **Profit/(Loss) after Tax**

Profit/(Loss) After Tax for the period ended December 31, 2020 was Rs. (2.65) Lakhs.

## **Information required as per Item (II) (C) (i) of Part A of Schedule VI to the SEBI Regulations:**

### **1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place since incorporation of the Company.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that are likely to affect income from continuing operations.

### **3. Income and Sales on account of major product/main activities**

Income and sales of our Company on account of major products/ main activities shall derives from activities business of generation and sale of wind energy, providing services for EPC and operation & maintenance of wind farms, manufacturing of wind turbine generators, including parts and components thereof.

### **4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

### **5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page no. 16 in this IM, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### **6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

### **7. Total turnover of each major industry segment in which the issuer company operated.**

The Company is in the business of wind producing industry, as available, has been included in the section titled "*Industry Overview*" beginning on page no. 44 of this IM.

### **8. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment.

### **9. The extent to which business is seasonal.**

Our Company's business is not seasonal. However, the business of the company depends upon the Growth potential of the economy and growth of the country.

**10. Any significant dependence on a single or few suppliers or customers.**

We may become dependent on any supplier(s) and/or customer(s), as we resume our operations.

**11. Competitive conditions.**

Competitive conditions are as described under the Sections titled *"Industry Overview"* and *"Business Overview"* beginning on pages no. 44 and 55 respectively of the Prospectus.

**SECTION VI - LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding: (i) criminal proceedings; (ii) actions taken by statutory/regulatory authorities; (iii) indirect and direct tax proceedings; (iv) material litigation(s) involving our Company, our Directors, our Promoter, our Group Companies and (v) any litigation involving our Company, our Directors, our Promoter, our Subsidiaries or any other person whose outcome could have a material adverse effect on the operations or financial position of our Company or (vi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI ICDR Regulations and dues to small scale undertakings and other creditors.

Our Company, our Promoters and/or our Directors, have not been declared as willful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Unless otherwise stated, all proceedings are pending as of the date of this IM. All information provided below is as of the date of this IM.

**A. LITIGATION INVOLVING OUR COMPANY**

**(i) Litigation against our Company**

**(a) Criminal Proceedings**

NIL

**(b) Actions by statutory/regulatory authorities**

NIL

**(c) Other matters**

NIL

**(ii) Litigation by our Company**

**(a) Criminal Proceedings**

NIL

**(b) Actions by statutory/regulatory authorities**

NIL

**(c) Material pending litigations**

NIL

**B. LITIGATION INVOLVING OUR PROMOTERS/ SUBSIDIARIES/DIRECTORS**

**(i) Litigation against our Promoters/ Subsidiaries/DIRECTORS**

**(a) Criminal Proceedings**

NIL

**(b) Actions by statutory/regulatory authorities**

NIL

(c) **Material pending litigations**

NIL

**(ii) Litigation by our Promoters/ Subsidiaries/Directors**

(a) **Criminal Proceedings**

NIL

(b) **Actions by statutory/regulatory authorities**

NIL

(c) **Material pending litigations**

NIL

**C. LITIGATION INVOLVING OUR DIRECTORS**

(a) **Criminal Proceedings**

NIL

(b) **Actions by statutory/regulatory authorities**

NIL

(c) **Material pending litigations**

NIL

**D. OUTSTANDING DUES TO CREDITORS**

For the details, please refer to chapter titled "*Restated Financial Statements*" on page no 104 of this IM.

**E. FURTHER CONFIRMATION**

Except as disclosed above, there are no regulatory actions initiated/taken against our Company, any of, our Group Companies, our Promoters and our Directors in their individual capacities by various agencies/regulatory bodies. Further, except as disclosed above there are no show cause notices received by our Company, our Group Companies, our Promoter, or our Directors in their individual capacities (pending any investigation) for any regulatory lapse.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Pursuant to the Scheme becoming effective with effect from the Appointed Date, all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates, trademarks, trademark applications, trade names and other intellectual property rights, contracts, tenancies, agreements, memorandum of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances, income tax benefits and exemptions, and all other benefits, privileges, interests in connection with or relating to the Demerged Undertaking of GFL Limited, shall stand transferred to and vested in or shall be deemed to be transferred to and vested in our Company as if the same were originally given or issued to or executed in favour of our Company, and the rights and benefits under the same shall be available to our Company.*

### **Material Licenses and approvals obtained by our Company:**

#### **A. Corporate Approvals:**

Certificate of Incorporation dated March 06, 2020, issued to our Company by the Registrar of Companies (ROC).

#### **B. Agreement with Depositories**

- i. The Company has entered into an agreement dated October 15, 2020, 2020 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Pvt Limited for the dematerialization of its shares.
- ii. Similarly, the Company has also entered into an agreement dated December 02, 2020 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Pvt Limited for the dematerialization of its shares.
- iii. The Company's International Securities Identification Number (“ISIN”) is INE0FLR01028.

#### **C. Approvals from Tax Authorities:**

- a) The Permanent Account Number (PAN) of our Company is **AAFCI6084A**.
- b) The Tax Deduction and Collection Account Number (TAN) is **BRDI01285E**.
- c) The Goods and Services Tax (GST) registration Number for our Principal Place of Business; 2nd-Floor, ABS Towers, O.P. Road, Vadodara, Vadodara, Gujarat, 390007 is **24AAFCI6084A1ZV**.

#### **D. Trademark Related Approvals**

The Company has not applied for any trademark related approval.

## **REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for Listing**

The Composite Scheme of Arrangement approved by the Board of Directors of GFL Limited on March 13, 2020; by the Board of Directors of our Company on March 13, 2020 and by the Board of Directors of Inox Renewables Limited on March 13, 2020.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated January 25, 2021, have approved the Composite Scheme of Arrangement amongst GFL Limited, Inox Renewables Limited and our Company and their respective shareholders for (i) amalgamation of Inox Renewables Limited with GFL Limited; and (ii) demerger of the Demerged Undertaking of GFL Limited into Inox Wind Energy Limited on a going concern under Section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and (i) and (ii) were effective with the appointed date being, April 01, 2020 and July, 01, 2020 respectively. For further details please refer to the chapter titled "Scheme of Arrangement" on page no. 73 of this Information Memorandum.

In accordance with the Scheme, the Equity Shares of our Company, issued pursuant to the Scheme, shall be listed and admitted to trading on BSE and NSE. Such admission and listing are not automatic and will be subject to fulfilment by our Company of the respective listing criteria of the Stock Exchanges and also subject to such other terms and conditions as may be prescribed by the respective Stock Exchanges at the time of the application made by our Company seeking approval for listing.

### **Eligibility Criteria**

There being no initial public offering or rights issue, the eligibility criteria in terms of Chapter II and III of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable; however, SEBI vide its circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time, if any, has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19(2)(b) of SCRR, as amended.

Since the equity shares shall be allotted by our Company, IWEL, to the shareholders of GFL pursuant to the Scheme to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013 read with section 52 and section 66 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder. Hence, the regulations 26(1) or 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable. Our Company will publish an advertisement, in the newspapers containing its details as per the SEBI Circular with the details required in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular.

### **Prohibition by Securities and Exchange Board of India (SEBI)**

Our Company, its Directors, its Promoters and Promoter Groups are not prohibited or debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Further, none of our Directors or Promoters is a Director or Promoter of any other company which is currently debarred from accessing the capital markets by SEBI.

### **Compliance with Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable.

### **Fugitive Economic Offences**

None of our Promoters or Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

#### **Association with the Securities Market**

None of our Directors are associated with the securities market in any manner except to the extent of their shareholding / directorships in other listed companies. No action has been initiated by SEBI against any such Directors during the five years preceding the date of this Information Memorandum.

#### **Willful defaulter by Reserve Bank of India**

Our Company, Promoters and Directors have not been identified as wilful defaulters by any bank and/or financial institution in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

#### **Disclaimer Clause of Stock Exchanges**

BSE and NSE vide its letter dated August 24, 2020 and August 25, 2020 respectively have approved the Draft Composite Scheme of Arrangement under Regulation 37 of the SEBI (LODR) Regulations, by the virtue of the Stock Exchange approvals BSE's and NSE's name have been included in this Information Memorandum as Stock Exchanges on which our Company's Equity Shares are proposed to be listed.

#### **Filing**

As required, a copy of this Information Memorandum has been submitted to BSE and NSE.

#### **General Disclaimer from the Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisement which will be publish in terms of Annexure A Part III (A) para 2 sub-clause 5 of the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

#### **Listing**

Applications have been made to BSE and NSE for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the Equity Shares. Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within a period as approved by SEBI.

#### **Listing Approval from BSE and NSE**

Application has been made to the Stock Exchanges for obtaining the permission for listing and trading of the Equity Shares and BSE Limited is the Designated Stock Exchange. The Company shall ensure that all steps are taken for the completion of necessary formalities for Listing and Commencement of trading at the BSE and NSE.

#### **Demat Credit**

Our Company has executed tripartite agreements with CDSL and NSDL on October 15, 2020 and December 02, 2020, respectively, for admitting its securities in demat form. Our Company has been allotted the ISIN INE0FLR01028.

**Consents**

Our Company has obtained consents from Directors, Statutory Auditor, Registrar & Share Transfer Agent, etc.

**Expert Opinions**

We have not obtained any expert opinions.

**Allotment of Shares**

Pursuant to the Scheme, the Company has on March 31, 2021, issued and allotted 1,09,85,000 Equity Shares of the Company to all eligible shareholders holding shares of GFL Limited on the Record Date i.e. March 30, 2021- in demat as well as in physical form. As per the Companies (Prospectus and Allotment of Securities) (Third Amendment) Rules, 2018, the Company is required to issue securities in dematerialized form only.

**Previous rights and public issues**

Since incorporation, our Company has not issued any Equity Shares to the public or undertaken any rights issue to the public.

**Capital issuances since incorporation**

For details of the issuances of Equity Shares by our Company since incorporation, see "Capital Structure" at page 34.

**Capitalisation of reserves or profits or revaluation of assets**

Other than pursuant to the Scheme, there has been no capitalization of our reserves or profits. Further, there has been no revaluation of our assets since incorporation.

**Performance vis-a-vis objects**

This is the first time the Equity Shares of our Company are getting listed on the Stock Exchanges.

**Issuances for consideration other than cash**

Except the allotment of equity shares pursuant to Composite Scheme of Arrangement, the Company has not undertaken any issuances for consideration other than cash since its incorporation.

**Commission and Brokerage on Previous Issues**

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares by our Company.

**Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments issued by our Company**

There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company.

**Stock Market Data for Equity Shares of our Company**

The Equity Shares of our Company are not listed on any Stock Exchange(s) in India. Through this Information Memorandum, our Company is seeking approval for listing of its Equity Shares from the Stock Exchanges.

**Disposal of Investor Grievances by our Company** Linkintime India Private Limited is the Registrar and Transfer Agent (RTA) of the Company to accept the documents/requests/complaints from the



investors/shareholders of the Company. All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. The Company/RTA has set up service standards for each of the various processes involved such as effecting the transfer/dematerialization of securities/change of address etc. Our Company estimates that the average time required by us or the RTA for the redressal of routine investor grievances will be ten business days from the date of receipt of the complaint. Mr. Deepak Banga, Company Secretary & Compliance Officer of the Company is vested with responsibility of addressing the Investor Grievance in coordination with Registrar & Transfer Agents. Alternatively, complaints in SCORES (common portal introduced by SEBI). Further, the Shareholders can also raise their grievances with our Company Secretary and Compliance Officer. As on the date of this Information Memorandum, our Company has not received any investor complaints.

**Deepak Banga**

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**SECTION VII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION  
THE COMPANIES ACT, 2013  
[COMPANY LIMITED BY SHARES]  
ARTICLES OF ASSOCIATION**

**Table F**

**as notified under schedule I of the companies Act, 2013 is applicable to the company**

**ARTICLES OF ASSOCIATION**

**OF**

**INOX WIND ENERGY LIMITED**

**A Company Limited by shares**

**Interpretation**

- I. (1) (1) In these regulations --
- (a) “the Act” means the Companies Act, 2013,
- (b) “the seal” means the common seal of the company.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
- (3) “public company” means a company which
- (a) is not a private company and;
- (b) has a minimum paid-up share capital as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

**Share capital and variation of rights**

- III. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 3.
  - (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
- 4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 5.
  - (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 6.
  - (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- 7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

9. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
- 14.** A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- 15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16.**
  - (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
  - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 17.**
  - (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 18.** The Board—
  - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

- 19.**
  - (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 20.** The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.

- 21.** The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
- 22.** On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of shares**

- 23.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 24.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 26.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered

as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**

- 27.** If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 28.** The notice aforesaid shall—
  - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 29.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 30.**
  - (i) A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 31.**
  - (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
  - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 32.**
  - (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
  - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and

- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

- 34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
  - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 36. Where shares are converted into stock,—
  - (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
- 37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
  - (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.



### **Capitalisation of profits**

- 38.** (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- 39.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and

- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

58. The Company shall have minimum three directors and maximum 15 directors and following shall be the First Directors of the Company:

1. **DEVENDRA KUMAR JAIN**
2. **VIVEK KUMAR JAIN**
3. **DEEPAK RANJIT ASHER**
4. **SHANTI PRASHAD JAIN**
5. **VANITA BHARGAVA**

Managing Directors, Whole -time Directors and Independent Directors of the Company shall not be liable to retire by rotation. And none of the directors shall be required to hold any qualification shares.

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

- 76.
  - (i) The Board shall provide for the safe custody of the seal.
  - (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and those one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

- 77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 79.
  - (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
  - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 80.
  - (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
  - (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
  - (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

- 81.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 82.** (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 83.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 84.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 85.** No dividend shall bear interest against the company.

#### **Accounts**

- 86.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

- 87.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

- 88.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **SECTION VIII – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Information Memorandum) which are or may be deemed material have been attached to the copy of the Information memorandum delivered. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 11 a.m. and 5 p.m. on all Working Days.

#### **Material documents**

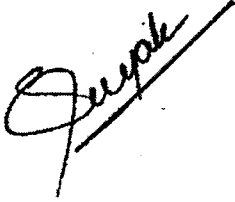
1. Copy of Certificate of Incorporation of Inox Wind Energy Limited
2. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time
3. Board Resolution Composite Scheme of Arrangement approved by the Board of Directors of GFL Limited on March 13, 2020; by the Board of Directors of Inox Wind Energy Limited on March 13, 2020 and by the Board of Directors of Inox Renewables Limited on March 13, 2020.
4. Scheme for Composite Scheme of Arrangement among, Renewables”), GFL Limited (“First Transferee Company” or “GFL”) (where the context so required “Demerged Company”), Inox Wind Energy Limited (“Second Transferee Company” or “IWEL” or ‘The Company’) and their respective shareholders
5. NOC from BSE and NSE approving Draft of Composite Scheme of Arrangement date August, 24, 2020 and August 25, 2020 respectively.
6. The Hon’ble National Company Law Tribunal, Ahmedabad Bench vide order dated, 25<sup>th</sup> January, 2021, for the approval of the Composite Scheme of Arrangement.
7. Tripartite Agreement dated 02<sup>nd</sup> December, 2020 with NSDL, RTA and the Company.
8. Tripartite Agreement dated 15<sup>th</sup> October, 2020 with CDSL, RTA and the Company.
9. SEBI’s email dated [●] granting relaxation from the applicability of Rule 19(2)(b) of SCRR for listing of the shares of the Company.

Any of the contracts or documents mentioned in this Information memorandum may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government of India and the regulations or guidelines issued by the SEBI, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act, or the rules or regulations made thereunder, or guidelines issued, as the case may be. We further certify that all statements in this Information Memorandum are true and correct.

Name of the Authority	Signature
Mr. Deepak Banga  Company Secretary & Compliance officer	

Date: 26<sup>th</sup> April, 2021

Place: - Noida